

521J.8 Examinations.

1. *a.* Except for captive risk retention groups as provided under paragraph “c”, the commissioner may examine each captive company’s compliance with [this chapter](#), and may examine the affairs, transactions, accounts, records, and assets of each captive company as the commissioner deems necessary.

b. The commissioner shall upon the completion of an examination under paragraph “a”, or at such regular intervals prior to completion of an examination as the commissioner determines, prepare an account of the costs incurred in performing and preparing the report of the examination which shall be charged to and paid by the captive company examined. If the captive company fails or refuses to pay the charges, the charges may be recovered in an action brought in the name of the state.

c. The commissioner shall examine the affairs, transactions, accounts, records, and assets of each captive risk retention group as the commissioner deems necessary, but no less frequently than every three calendar years. A report produced pursuant to the examination of a captive risk retention group under [this section](#) shall be a public record.

2. Except as provided in [subsection 3](#), [this section](#) shall apply to all business written by a captive company.

3. An examination of a branch captive company shall be conducted only on the branch business and branch operations if all of the following requirements are met:

a. The branch captive company annually provides the commissioner a certificate of compliance, or equivalent, that was issued by or filed with the licensing authority of the jurisdiction in which the branch captive company is formed.

b. The branch captive company demonstrates to the satisfaction of the commissioner that the company is operating in sound financial condition and in compliance with all applicable law and regulations of the jurisdiction in which the branch captive company is formed.

4. As a condition of authorization of a branch captive company, the alien captive company shall grant authority to the commissioner for examination of the affairs of the alien captive company in the jurisdiction in which the alien captive company is formed.

5. The applicable provisions of [chapter 507](#) shall apply to examinations conducted under [this chapter](#).

[2023 Acts, ch 107, §11](#)

Referred to in [§521J.9](#), [521J.22](#)