

191—98.10(505) Notification of adverse financial condition.

98.10(1) The insurer required to furnish the annual audited financial report shall require the independent certified public accountant to report, in writing, within five business days to the board of directors or its audit committee any determination by the independent certified public accountant that the insurer has materially misstated its financial condition as reported to the commissioner as of the balance sheet date currently under audit or that the insurer does not meet the applicable minimum capital and surplus requirements of Iowa Code sections 508.5, 508.10, 515.8, 515.10 and 515.12(5) as of that date. An insurer who has received a report pursuant to this rule shall forward a copy of the report to the commissioner within five business days of receipt of such report and shall provide the independent certified public accountant making the report with evidence of the report being furnished to the commissioner. If the independent certified public accountant fails to receive such evidence within the required five-business-day period, the independent certified public accountant shall furnish to the commissioner a copy of its report within the next five business days.

98.10(2) No independent certified public accountant shall be liable in any manner to any person for any statement made in connection with subrule 98.10(1) if such statement is made in good faith in compliance with this rule.

98.10(3) If the accountant, subsequent to the date of the audited financial report filed pursuant to this chapter, becomes aware of facts which might have affected this report, the insurance division notes the obligation of the accountant to take such action as prescribed in Volume 1, AU Section 561 of the Professional Standards of the AICPA.