

§ 58-13-5. Purposes.

The purposes of this Article are to require insurers to maintain unencumbered assets in amounts equal to policyholder-related liabilities and minimum required capital and minimum required surplus; to provide preferential claims against insurers' assets in favor of owners, beneficiaries, assignees, and holders of insurance policies and certificates; and to prevent the pledging, hypothecation, or encumbrance of assets without a prior written order of the Commissioner. (1985, c. 327, s. 1; 1991, c. 681, s. 30.1; 1993, c. 504, s. 7.)