

**191—46.6(521A) Regulation—compliance.**

**46.6(1)** Mutual insurance holding companies shall comply with the provisions of Iowa Code chapter 521A except as expressly provided herein.

**46.6(2)** No regulatory standards are waived during the pendency of an application for a plan of reorganization.

**46.6(3)** Mergers and acquisitions by a mutual insurance holding company must be approved by the commissioner pursuant to Iowa Code chapters 521 and 521A. At such time as a mutual insurance holding company acquires or plans to acquire more than 50 percent of a stock insurance company, the mutual insurance holding company shall submit to the commissioner a plan describing any membership interests of policyholders.

**46.6(4)** Each mutual insurance holding company shall supply to the insurance division, by April 1 of each year, an annual statement consisting of the following:

- a.* An income statement.
- b.* A balance sheet.
- c.* A cash flow statement.
- d.* Complete information on the status of any closed block formed as a part of a plan of reorganization.
- e.* An investment plan covering all assets.
- f.* A statement disclosing any intention to pledge, borrow against, alienate, hypothecate or in any way encumber the assets of the mutual insurance holding company.

**46.6(5)** At least 50 percent of the generally accepted accounting practices (GAAP) net worth of a mutual insurance holding company shall be invested in insurance company subsidiaries.

**46.6(6)** No policyholder who is a member of a mutual insurance holding company shall receive on account of such membership interest any payment of a policy credit, dividend or other distribution unless such payment has been approved by the commissioner. The commissioner, after a public hearing as provided in Iowa Code section 521A.3(4) “b,” if satisfied the proposed payment is fair and equitable to policyholders who are members, may approve the proposed payment and may require as a condition of such approval modification of the proposed payment as the commissioner finds necessary for the protection of such policyholders.