

WEST VIRGINIA CODE: §33-8-20

§33-8-20. Same - Additional investment authority.

(a) Solely for the purpose of acquiring investments that exceed the quantitative limitations of sections ten through seventeen, inclusive, of this article, an insurer may acquire under this subsection an investment, or engage in investment practices described in section sixteen of this article, but an insurer may not acquire an investment, or engage in investment practices described in said section, under this subsection if, as a result of and after giving effect to the transaction:

(1) The aggregate amount of investments then held by an insurer under this subsection would exceed three percent of its admitted assets; or

(2) The aggregate amount of investments as to one limitation in sections ten through seventeen, inclusive, of this article then held by the insurer under this subsection would exceed one percent of its admitted assets.

(b) In addition to the authority provided under subsection (a) of this section, an insurer may acquire under this subsection an investment of any kind, or engage in investment practices described in section sixteen of this article, that are not specifically prohibited by this article, without regard to the categories, conditions, standards or other limitations of sections ten through seventeen, inclusive, of this article if, as a result of and after giving effect to the transaction, the aggregate amount of investments then held under this subsection would not exceed the lesser of:

(1) Ten percent of its admitted assets; or

(2) Seventy-five percent of its capital and surplus. However, an insurer may not acquire any investment or engage in any investment practice under this subsection if, as a result of and after giving effect to the transaction, the aggregate amount of all investments in any one person then held by the insurer under this subsection would exceed three percent of its admitted assets.

(c) In addition to the investments acquired under subsections (a) and (b) of this section, an insurer may acquire under this subsection an investment of any kind, or engage in investment practices described in section sixteen of this article, that are not specifically prohibited by this article without regard to any limitations of sections ten through seventeen, inclusive, of this article if:

(1) The commissioner grants prior approval;

(2) The insurer demonstrates that its investments are being made in a prudent manner and that the additional amounts will be invested in a prudent manner; and

(3) As a result of and after giving effect to the transaction the aggregate amount of investments then held by the insurer under this subsection does not exceed the greater of:

(A) Twenty-five percent of its capital and surplus; or

(B) One hundred percent of capital and surplus less ten percent of its admitted assets.

(d) An investment prohibited under section five of this article, not permitted under section eighteen of this article or additional derivative instruments acquired under said section may not be acquired under this section.