WEST VIRGINIA CODE: §33-39-2

§33-39-2. Acquisitions and dispositions of assets.

(a) No acquisitions or dispositions of assets need be reported pursuant to section one of this article if the acquisitions or dispositions are not material. For purposes of this article, a material acquisition, or the aggregate of any series of acquisitions during any thirty-day period, is one that is nonrecurring and not in the ordinary course of business and involves more than five percent of the reporting insurer's total admitted assets as reported in its most recent statutory statement filed with the Insurance Commissioner. For purposes of this article, a material disposition, or the aggregate of any series of dispositions during any thirty-day period, is one that is nonrecurring and not in the ordinary course of business and involves more than five percent of the reporting insurer's total admitted assets as reported in its most recent statutory statement filed with the Insurance Commissioner.

(b) Asset acquisitions subject to this article include every purchase, lease, exchange, merger, consolidation, succession or other acquisition other than the construction or development of real property by or for the reporting insurer or the acquisition of materials for such purpose.

(c) Asset dispositions subject to this article include every sale, lease, exchange, merger, consolidation, mortgage, hypothecation, assignment, whether for the benefit of creditors or otherwise, abandonment, destruction or other disposition.

(d) The following information is required to be disclosed in any report of a material acquisition or disposition of assets:

(1) Date of the transaction;

(2) Manner of acquisition or disposition;

(3) Description of the assets involved;

(4) Nature and amount of the consideration given or received;

(5) Purpose of, or reason for, the transaction;

(6) Manner by which the amount of consideration was determined;

(7) Gain or loss recognized or realized as a result of the transaction; and

(8) Name(s) of the person(s) from whom the assets were acquired or to whom they were disposed.

(e) Insurers are required to report material acquisitions and dispositions on a nonconsolidated basis unless the insurer is part of a consolidated group of insurers which

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utilizes a pooling arrangement or a one hundred percent reinsurance agreement that affects the solvency and integrity of the insurer's reserves and such insurer ceded substantially all of its direct and assumed business to a pool. An insurer is deemed to have ceded "substantially all" of its direct and assumed business to a pool if the insurer has less than $1 million of total direct plus assumed written premiums during a calendar year that are not subject to the pooling arrangement and the net income of the business not subject to the pooling arrangement represents less than five percent of the insurer's capital and surplus. If a group of insurers reports on a consolidated basis as here allowed, the report should identify the individual insurers that are members of the group.

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