WEST VIRGINIA CODE: §33-4-16

§33-4-16. Limit of risk.

(a) No insurer shall retain any risk on any one subject of insurance, whether located or to be performed in West Virginia or elsewhere, in an amount exceeding ten percent of its surplus to policyholders.

(b) A "subject of insurance" for the purpose of this section, as to insurance against fire and hazards other than windstorm or earthquake, includes all properties insured by the same insurer which are customarily considered by insurers to be subject to loss or damage from the same fire or other such hazard insured against.

(c) Reinsurance in licensed or approved insurers as authorized by section fifteen of this article shall be deducted in determining risk retained. As to surety risk, deduction shall also be made of the amount assumed by any established incorporated cosurety and the value and security deposited, pledged or held subject to the surety's consent and for the surety's protection.

(d) "Surplus to policyholders" for the purpose of this section shall be deemed to include any voluntary reserves which are not required pursuant to law, and shall be determined from the last sworn statement of the insurer on file with the commissioner or by the last report of examination by the commissioner, whichever is the more recent at time of assumption of such risk.

(e) As to alien insurers this section shall apply only to risks and surplus to policyholders of the insurer's United States branch.

(f) This section shall not apply to life or accident and sickness insurance, title insurance, nor to any policy or type of coverage as to which the maximum possible loss to the insurer is not reasonably ascertainable on issuance of the policy.

WV Legislature