

## **IC 27-1-2**

### **Chapter 2. Application of Article; Definitions**

#### **IC 27-1-2-1**

##### **Citation**

Sec. 1. IC 27-1-2 through IC 27-1-20 shall be known and may be cited as the Indiana Insurance Law.

*(Formerly: Acts 1935, c.162, s.1.) As amended by P.L.252-1985, SEC.3.*

#### **IC 27-1-2-2**

##### **Application of article**

Sec. 2. This article shall be applicable to all persons, firms, partnerships, corporations, associations, orders, societies, and systems and to associations operating as Lloyds, interinsurers, or individual underwriters authorized as of March 8, 1935, to make insurance under the provisions of any statute enacted prior to March 8, 1935, or organized or incorporated before or after March 8, 1935, under the provisions of any statute of this state, or which are doing or attempting to do, or which are representing that they are doing an insurance business in this state, or which are in process of organization for the purpose of doing or attempting to do such business. All domestic, foreign, and alien companies authorized to do business in this state shall be subject to this article; however, any not-for-profit corporation which pays death benefits to the owner of a valuable registered horse on the death of said horse shall for that purpose not be subject to this article.

*(Formerly: Acts 1935, c.162, s.2; Acts 1973, P.L.269, SEC.1.) As amended by P.L.252-1985, SEC.4; P.L.8-1993, SEC.408.*

#### **IC 27-1-2-2.5**

##### **Health insurance providers; registration**

Sec. 2.5. A person or other entity that provides coverage in Indiana for medical, surgical, chiropractic, physical therapy, speech pathology, audiology, professional mental health, dental, hospital, optometric, or podiatric expenses, whether coverage is by direct payment, reimbursement, or other means, shall:

- (1) register with the commissioner; and
- (2) indicate in the registration if the coverage provided by the person or other entity is an employee benefit plan subject to the Employee Retirement Income Security Act (29 U.S.C. 1001 et seq.).

*As added by P.L.147-1990, SEC.1.*

#### **IC 27-1-2-3**

##### **Definitions**

Sec. 3. As used in this article, and unless a different meaning appears from the context: (a) "Insurance" means a contract of insurance or an agreement by which one (1) party, for a consideration, promises to pay money or its equivalent or to do an act

valuable to the insured upon the destruction, loss or injury of something in which the other party has a pecuniary interest, or in consideration of a price paid, adequate to the risk, becomes security to the other against loss by certain specified risks; to grant indemnity or security against loss for a consideration.

(b) "Commissioner" means the "insurance commissioner" of this state.

(c) "Department" means "the department of insurance" of this state.

(d) The term "company" or "corporation" means an insurance company and includes all persons, partnerships, corporations, associations, orders or societies engaged in or proposing to engage in making any kind of insurance authorized by the laws of this state.

(e) The term "domestic company" or "domestic corporation" means an insurance company organized under the insurance laws of this state.

(f) The term "foreign company" or "foreign corporation" means an insurance company organized under the laws of any state of the United States other than this state or under the laws of any territory or insular possession of the United States or the District of Columbia.

(g) The term "alien company" or "alien corporation" means an insurance company organized under the laws of any country other than the United States or territory or insular possession thereof or of the District of Columbia.

(h) The term "person" includes individuals, corporations, associations, and partnerships; personal pronoun includes all genders; the singular includes the plural and the plural includes the singular.

(k) The term "insurance solicitor" means any natural person employed to aid an insurance producer in any manner in soliciting, negotiating, or effecting contracts of insurance or indemnity other than life.

(l) The term "principal office" means that office maintained by the corporation in this state, the address of which is required by the provisions of this article to be kept on file in the office of the department.

(m) The term "articles of incorporation" includes both the original articles of incorporation and any and all amendments thereto, except where the original articles of incorporation only are expressly referred to, and includes articles of merger, consolidation and reinsurance, and in case of corporations, heretofore organized, articles of reorganization filed in the office of the secretary of state, and all amendments thereto.

(n) The term "shareholder" means one who is a holder of record of shares of stock in a corporation, unless the context otherwise requires.

(o) The term "policyholder" means one who is a holder of a contract of insurance in an insurance company.

(p) The term "member" means one who holds a contract of

insurance or is insured in an insurance company other than a stock corporation.

(q) The term "capital stock" means the aggregate amount of the par value of all shares of capital stock.

(r) The term "capital" means the aggregate amount paid in on the shares of capital stock of a corporation issued and outstanding.

(s) The term "life insurance company" means any company making one or more of the kinds of insurance set out and defined in class 1(a) of IC 27-1-5-1.

(t) The term "casualty insurance company" means any company making the kind or kinds of insurance set out and defined in class 2 of IC 27-1-5-1.

(u) The term "fire and marine insurance company" means any company making the kind or kinds of insurance set out and defined in class 3 of IC 27-1-5-1.

(v) The term "certificate of authority" means an instrument in writing issued by the department to an insurer, which sets out the authority of such insurer to engage in the business of insurance or activities connected therewith.

(w) The term "premium" means money or any other thing of value paid or given in consideration to an insurer, insurance producer, or solicitor on account of or in connection with a contract of insurance and shall include as a part but not in limitation of the above, policy fees, admission fees, membership fees and regular or special assessments and payments made on account of annuities.

(x) The term "insurer" means a company, firm, partnership, association, order, society or system making any kind or kinds of insurance and shall include associations operating as Lloyds, reciprocal or inter-insurers, or individual underwriters.

(y) The terms "assessment plan" and "assessment insurance" mean the mode or plan and the business of a corporation, association or society organized and limited to the making of insurance on the lives of persons and against disability from disease, bodily injury or death by accident, and which provides for the payment of policy claims, accumulation of reserve or emergency funds, and the expenses of the management and prosecution of its business by payments to be made either at stated periods named in the contract or upon assessments, and wherein the insured's liability to contribute is not limited to a fixed sum.

(z) "Agency billed" refers to a system in which an insured pays a premium directly to an insurance agency.

(aa) "Reinsurer" means an insurer that:

- (1) is principally engaged in the business of reinsurance;
- (2) does not conduct a significant amount of direct insurance as a percentage of the insurer's net premiums; and
- (3) is not engaged on an ongoing basis in the business of soliciting direct insurance.

*(Formerly: Acts 1935, c.162, s.3; Acts 1963, c.203, s.1.) As amended by Acts 1977, P.L.280, SEC.1; P.L.8-1993, SEC.409; P.L.48-2000, SEC.1; P.L.178-2003, SEC.13; P.L.11-2011, SEC.3.*

**IC 27-1-2-4**

**Violation of Indiana Insurance Law**

Sec. 4. A person who recklessly violates the Indiana Insurance Law (chapters 2 through 20 of this article) commits a Class A misdemeanor, except as otherwise provided.

*As added by Acts 1978, P.L.2, SEC.2701. Amended by P.L.82-1998, SEC.1.*