

**LCB File No. R070-09**

**PROPOSED REGULATION OF THE  
COMMISSIONER OF INSURANCE**

(This regulation was previously adopted as T033-09)

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: NRS 679B.130, 694C.170

A REGULATION relating to officers and directors of captive insurers to require prior approval of the board of directors or subscribers advisory committee for performance and payment of services rendered to the captive by an officer, director or employee of a captive insurance company.

**Section 1.** Chapter 694C.280 of NAC is hereby amended as follows:

NAC 694C.280 Officers and directors. (NRS 679B.130, 694C.170)

1. Within 30 days after any change in the executive officers and directors of a captive insurer, the captive insurer shall report the change to the Commissioner. The report must include a statement of the business and professional affiliations of the new executive officer or director. The new executive officer or director must meet the same standards that were indicated in the initial application of the captive insurer for that officer or director position.

2. A director, an officer or an employee of a captive insurer shall not, except on behalf of the captive insurer, accept or be the beneficiary of any fee, brokerage, gift or other emolument because of any investment, loan, deposit, purchase, sale, payment or exchange made by or for the captive insurer, but such a person may receive reasonable compensation for necessary services rendered to the captive insurer in his usual private, professional or business capacity. *Under this provision the person performing the necessary services rendered to the captive must obtain the prior consent of the board of directors or subscribers advisory committee to the performance of and payment for such necessary services.*

3. Any profit or gain received by or on behalf of any person in violation of this section is recoverable by the captive insurer.