

AN ACT concerning regulation.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Illinois Insurance Code is amended by changing Section 534.4 as follows:

(215 ILCS 5/534.4) (from Ch. 73, par. 1065.84-4)

Sec. 534.4. "Insolvent company" means a company organized as a stock company, mutual company, reciprocal or Lloyds (a) which holds a certificate of authority to transact insurance in this State either at the time the policy was issued or when the insured event occurred, or any company which has assumed or has been allocated such policy obligation through merger, division, insurance business transfer, consolidation, or reinsurance, whether or not such assuming company held a certificate of authority to transact insurance in this State at the time such policy was issued or when the insured event occurred; and (b) against which a final Order of Liquidation with a finding of insolvency to which there is no further right of appeal has been entered by a court of competent jurisdiction in the company's State of domicile after the effective date of this Article. When a policy obligation is assumed or allocated through merger, division, insurance business transfer, consolidation, or reinsurance, nothing in

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this Section shall be construed to create Fund coverage if none existed at the time of assumption or allocation or to destroy Fund coverage if it existed at the time of assumption or allocation.

(Source: P.A. 103-75, eff. 6-9-23.)

Section 99. Effective date. This Act takes effect upon becoming law.