72A.41 TRANSACTING BUSINESS WITHOUT CERTIFICATE OF AUTHORITY.

Subdivision 1. **Prohibition; exception.** It is unlawful for any company to enter into a contract of insurance as an insurer or to transact insurance business in this state, as set forth in subdivision 2, without a certificate of authority from the commissioner; provided that this subdivision does not apply to:

(a) contracts of insurance procured by agents under the authority of sections 60A.195 to 60A.209;

(b) contracts of reinsurance and contracts of ocean or wet marine and transportation insurance;

(c) transactions in this state involving a policy lawfully solicited, written and delivered outside of this state covering only subjects of insurance not resident, located, or expressly to be performed in this state at the time of issuance and which transactions are subsequent to the issuance of the policy;

(d) transactions in this state involving a policy of insurance or annuity issued prior to July 1, 1967;

(e) contract of insurance procured under the authority of section 60A.198, subdivision 8; or

(f) transactions in this state involving contracts of insurance covering property or risks not located in this state.

Subd. 2. **Acts constituting.** Any of the following acts in this state, effected by mail or otherwise by an unauthorized insurer, shall be included among those deemed to constitute transacting insurance business in this state: (a) the issuance or delivery of a contract of insurance or annuity to a resident of this state; (b) the solicitation of an application for such a contract; (c) the collection of a premium, membership fee, assessment or other consideration for such a contract; or (d) the transaction of any matter subsequent to the execution of such a contract and arising out of it.

Subd. 3. **Failure to obtain certificate.** The failure of a company to obtain a certificate of authority shall not impair the validity of any act or contract of such company and shall not prevent such company from defending any action in any court of this state, but no company transacting insurance business in this state without a certificate of authority shall be permitted to maintain an action in any court of this state to enforce any right, claim or demand arising out of the transaction of such business until such company shall have obtained a certificate of authority. Nor shall an action be maintained in any court of this state by any successor or assignee of such company on any such right, claim or demand originally held by such company until a certificate of authority shall have been obtained by such company or by a company which has acquired all or substantially all of its assets.

History: *1967 c 590 s 2; 1969 c 6 s 17; 1980 c 436 s 3; 1987 c 384 art 2 s 15; 1994 c 485 s 57; 2011 c 108 s 49*