ROLL CALL

Debbie Doggett, Co-Chair/ Jay Buschmann Missouri Greg Lathrop New Mexico
Cameron Piatt, Co-Chair Ohio Ursula Almada Oregon
Cindy Hathaway Colorado Karen Feather Pennsylvania
Kathy Belfi Connecticut Amy Garcia Texas
Alisa Pritchard Delaware Jay Sueoka Utah
Carolyn Morgan/ Christine Huff Florida Ron Pastuch/ Mark Durphy Washington
Stewart Guerin Louisiana Amy Malm Wisconsin
Kari Leonard Montana Linda Johnson/ Doug Melvin Wyoming

NAIC Support Staff: Jane Barr

AGENDA

1. Received Comments on Proposal 2021-07 (Company Responses)—Cam Piatt (OH)
   a. ACLI Comments – Mike Monahan (ACLI)
   b. Consider Alternative Wording—Debbie Doggett (MO)

2. Hear an Update on Domestic Surplus Line Insurer Ad Hoc Group—NAIC Staff
   a. Discuss Response Memorandum
   b. Discuss Domestic Surplus Lines Insurers State Chart

3. Hear an update on the Biographical Database Project—NAIC Staff

4. Discuss Any Other Matters Brought Before the Working Group—Cam Piatt (OH)

5. Adjournment
National Treatment and Coordination (E) Working Group
Company Licensing Proposal Form

DATE: 11/18/2021

CONTACT PERSON: Jane Barr
TELEPHONE: 816-783-8413
EMAIL ADDRESS: jbarr@naic.org

ON BEHALF OF:
NAME: Alison Sterett
TITLE: Financial Administrator
AFFILIATION: FL Office of Insurance Regulation
ADDRESS:

FOR NAIC USE ONLY
Agenda Item #: 2021-07
Year: 2022

DISPOSITION
[ ] ADOPTED
[ ] REJECTED
[ ] DEFERRED TO
[ ] REFERRED TO OTHER NAIC GROUP
[ X ] EXPOSED Jan. 14, 2022
[ ] OTHER (SPECIFY)

IDENTIFICATION OF SOURCE AND FORM(S)/INSTRUCTIONS TO BE CHANGED
[   ] UCAA Forms     [  X  ] UCAA Instructions    [  ] Enhancement to the Electronic Application Process
[  X  ] Company Licensing Best Practices HB

Forms:
[ ] Form 1 – Checklist    [  ] Form 2 - Application  [  ] Form 3 – Lines of Business
[  ] Form 6- Certificate of Compliance  [  ] Form 7 – Certificate of Deposit  [  ] Form 8 - Questionnaire
[  ] Form 8C- Corporate Amendment Questionnaire  [  ] Form 11-Biographical Affidavit  [  ] Form 12-Uniform Consent to
Service of Process  [  ] Form 13- ProForma  [  ] Form 14- Change of Address/Contact Notification
[  ] Form 15 – Affidavit of Lost C of A  [  ] Form 16 – Voluntary Dissolution  [  ] Form 17 – Statement of Withdrawal

DESCRIPTION OF CHANGE(S)
To provide additional guidance in the application instructions:

The Applicant Company has 30 days to comply with the state’s request for additional information or the state can deem the application insufficient and close. If the Applicant Company is unable to comply with the request or provide a response within 30-days, they will need to withdrawal their application and reapply at a later time.

REASON OR JUSTIFICATION FOR CHANGE **
Insert guidelines into the application instructions to notify the Applicant Company that there is a specific time limit to respond to the state when additional information is requested.

Additional Staff Comments:
12-1-21 NTCWG exposed for a 45-day comment period ending Jan. 14, 2022.

** This section must be completed on all forms.

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The Primary Application to the Uniform Certificate of Authority Application (UCAA) is designed for use in the formation of a new insurer, or for an existing insurer to use in making application to redomesticate to another state. A Uniform State is one that is committed to using the UCAA review process for company licensing and admissions.

The UCAA Primary Application has four sections designed to guide the Applicant Company through the licensing process:

I. Application Review Process
II. Filing Requirements (New Insurers and Redomestications)
III. Filing Requirements (Redomestications Only)
IV. How to File

The goal of the UCAA is to provide a streamlined approval process. However, some states have state-specific filing requirements based on statutes or internal procedures. The uniform states are working to eliminate non-essential state-specific requirements. All Applicant Companies must be familiar with the insurance laws of the state to which they submit an application. Please see the UCAA charts for information related to obtaining a copy of the laws, regulations and bulletins for the state in which an application is filed.

If the Applicant Company has any questions about the uniform admission process, a list of contact information is provided on the Addresses and Contacts Information for Submission of Application chart. It is highly recommended that the Applicant Company review the state charts, the application instructions and review the Frequently Asked Questions (FAQs) prior to contacting each state with any questions before submitting the application for review.

Primary Application Section I
Application Review Process
Processing Goal: 90 Days

It is the goal of each Uniform State to process all Primary Applications within 90 calendar days with receipt of a complete application. The 90-day review process includes two weeks to determine if the application is complete and acceptable for filing. A completed application includes all required information detailed in the primary application instructions, any state specific requirements and filing fees. During the remaining time-span, the application will receive a financial and operational review. A state may not achieve the 90-day processing goal in instances where the application requires substantial follow-up, or in states with limited resources, or in instances when the Applicant Company files an application during peak business periods such as year-end and annual statement filing periods. Due to varying levels of resources available in each state the review may take longer than 90 days to complete. Anytime the state requests additional information, the state suspends the 90-day goal until it receives the requested information. The Applicant Company has 30 days to comply with the state’s request.
for additional information or the state can deem the application insufficient and close. If the Applicant Company is unable to comply with the request or provide a response within 30-days, they will need to withdraw their application and reapply at a later time.

EXPANSION APPLICATION

The Expansion Application to the Uniform Certificate of Authority Application (UCAA) is for use by an Applicant Company that wishes to expand into one or more Uniform States. The Applicant Company may file Expansion Applications simultaneously in as many states as desired. Prior to submitting an application in a foreign state, the Applicant Company should inform the state of domicile of its plans in the foreign state(s).

Based on the circumstances of a particular application, it may be necessary for the reviewing state to request additional information.

The UCAA Expansion Application has three sections designed to guide the Applicant Company through the admission process:

I. Application Review Process
II. Filing Requirements
III. How to File

The goal of the UCAA is to provide a streamlined approval process. However, some states have state-specific filing requirements based on either statutory requirements or internal procedures. All Applicant Companies must be familiar with the insurance laws of the state to which they submit an application. Please see the UCAA home page for information on obtaining a copy of the laws, regulations and bulletins for each state.

Direct any questions about the uniform admission process or state-specific filing requirements to the contact shown on the list of Addresses and Contact Information for Submission of Applications. To assure a prompt review, the Applicant Company should review the instructions, state charts and Frequently Asked Questions (FAQs) prior to contacting each state with questions before submitting the application.

Expansion Application Section I
Application Review Process

The Expansion Application is an abbreviated version of the UCAA designed to allow solidly performing companies that are in good standing in all admitted states to gain admission into new states quickly and easily. It is the goal of all Uniform States to complete their review of Expansion Applications within 60 calendar days with receipt of a complete application. The 60-day review process includes two weeks to determine if the application is complete and acceptable. A completed application includes all required information detailed in the expansion application instructions, any state specific requirements and filing fees. During the remaining time span, the application will receive a financial and operational review. The states may not achieve the 60-day processing goal in instances where substantial follow-up is required or in states with limited resources or in instances when the Applicant Company files an application during peak business periods, such as year-end and annual statement filing periods. The
Applicant Company has 30 days to comply with the state’s request for additional information or the state can deem the application insufficient and close. If the Applicant Company is unable to comply with the request or provide a response within 30-days, they will need to withdraw their application and reapply at a later time.

**UNIFORM CERTIFICATE OF AUTHORITY APPLICATION**

**CORPORATE AMENDMENTS APPLICATION**

Existing insurers use the Uniform Certificate of Authority Corporate Amendment Application for requesting amendments to its Certificate of Authority. A Uniform State is one that is committed to using the Uniform Certificate of Authority (UCAA) review process for company licensing and admissions.

The Applicant Company can use the Corporate Amendment Application to file more than one change in the same submission. The Applicant Company should mark all changes on the application form and submit all items required for those changes. For electronic application submissions, refer to the UCAA Corporate Amendment User Guide.

The following instructions contain a detailed explanation of the various requirements designed to assist in the preparation and submission of the necessary documentation to obtain regulatory approval. Each state’s review process may follow slightly different time lines to complete a comprehensive and detailed operational and financial review of the Applicant Company’s business.

Based on the circumstances of a particular application, it may be necessary for the reviewing state to request additional information. Typically, the state will request any additional information within 30 days after it accepts the application.

The goal of the UCAA is to provide a streamlined approval process. However, some states have State-Specific Filing Requirements based on either statutory requirements or internal procedures. The Applicant Company must be familiar with the insurance laws of the state(s) to which they submit an application. For information on state laws, regulations and bulletins, see the State Charts on the UCAA website.

It is highly recommended that the Applicant Company review the corporate amendment instructions, FAQs and state specific information prior to contacting each state with any questions before submitting the application for review.

**Corporate Amendments Application Review Process**

The Corporate Amendment Application of the UCAA provides a uniform process for gaining the necessary regulatory approvals for modifications to an Applicant Company’s Certificate of Authority. It is the goal of each Uniform State to process all Corporate Amendments Applications within 60 calendar days of receipt. The 60-day review process includes two weeks to determine if the application is complete and acceptable for filing. During the remaining time-
span, the application will receive a financial and operational review. The state(s) may not achieve the 60-day processing goal in instances where the application requires substantial follow-up, in state(s) with limited resources or in instances when the application is filed during peak business periods such as year-end and annual statement filing periods.

Based on the circumstances of a particular application, it may be necessary for the reviewing state(s) to request additional information. Typically, the state(s) will request any additional information that it needs within 30 days after the state accepts the application. The Applicant Company has 30 days to comply with the state’s request for additional information or the state can deem the application insufficient and close. If the Applicant Company is unable to comply with the request or provide a response within 30-days, they will need to withdrawal their application and reapply at a later time.
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I. Application Review Process
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The goal of the UCAA is to provide a streamlined approval process. However, some states have state-specific filing requirements based on statutes or internal procedures. The uniform states are working to eliminate non-essential state-specific requirements. All Applicant Companies must be familiar with the insurance laws of the state to which they submit an application. Please see the UCAA charts for information related to obtaining a copy of the laws, regulations and bulletins for the state in which an application is filed.

If the Applicant Company has any questions about the uniform admission process, a list of contact information is provided on the Addresses and Contacts Information for Submission of Application chart. It is highly recommended that the Applicant Company review the state charts, the application instructions and review the Frequently Asked Questions (FAQs) prior to contacting each state with any questions before submitting the application for review.

Primary Application Section I
Application Review Process
Processing Goal: 90 Days

It is the goal of each Uniform State to process all Primary Applications within 90 calendar days with receipt of a complete application. The 90-day review process includes two weeks to determine if the application is complete and acceptable for filing. A completed application includes all required information detailed in the primary application instructions, any state specific requirements and filing fees. During the remaining time-span, the application will receive a financial and operational review. A state may not achieve the 90-day processing goal in instances where the application requires substantial follow-up, or in states with limited resources, or in instances when the Applicant Company files an application during peak business periods such as year-end and annual statement filing periods. Due to varying levels of resources available in each state the review may take longer than 90 days to complete. Anytime the state requests additional information, the state suspends the 90-day goal until it receives the requested information. The Applicant Company has 30 days to comply with the state’s request for additional information or the state can deem the application insufficient and close. If the Applicant...
Company is unable to comply with the request or provide a response within 30-days, they will need to withdraw their application and reapply at a later time.

Based on the circumstances of a particular application, it may be necessary for the reviewing state to request additional information. Typically, a state will request any additional information it needs within 30 days after the state accepts the application. For more detail regarding the review process, refer to the Company Licensing Best Practices Handbook.

Proprietary Information

Both regulators and the Applicant Company might deem confidential any communications with insurance regulatory agencies in conjunction with the Primary Application concerning proprietary information about the Applicant Company. States may only share information determined to be confidential with other persons as authorized by law. By law, the state will not disclose to the public any information determined to be proprietary and trade secret. Each Applicant Company needs to expressly identify all information, in the application and in any subsequent correspondence, that the Applicant Company considers proprietary or trade secret.

The Applicant Company should review the state chart information and FAQs prior to contacting the appropriate state regulators with any questions before filing any application.

Step One: Filing An Application

The Applicant Company may submit Primary Applications anytime during the year. The state immediately reviews Primary Applications to ensure that the Applicant Company submitted the application in the required format as outlined in these instructions.

Generally, within two weeks from the date the state receives the application, the state will notify the Applicant Company whether or not the state has accepted the application for filing. If the state accepts the application for filing, it will assign an official filing date.

If the state does not accept the application for filing due to a deficiency in the application’s format, the state will contact the Applicant Company. Depending upon the nature of the deficiency, the state may give the Applicant Company two weeks from the date of receipt of notification from the department reviewing the application to correct the deficiency. Some states may return to the Applicant Company any applications that are deficient and not accepted for filing.

Step Two: Application Review

A Primary Application will undergo a rigorous financial and operational review in the state to which the Applicant Company submitted the application. The purpose of the Primary Application is to streamline application processing and the state will make every effort to process a Primary Application as quickly as possible.

At the conclusion of the substantive review by the reviewing state, the state will grant the Applicant Company a Certificate of Authority as a domestic company, allow the Applicant Company to withdraw the application, or will deny the application.
If the application is denied, the state will notify the Applicant Company and provide a detailed explanation for the denial. After the denial, if the Applicant Company wishes to re-file a Primary Application, the state will require a new application and filing fee.

If the application is approved and a Certificate of Authority is granted, the Applicant Company should complete the Company Code Application form. The form can be submitted via email, fax or mail.

**Primary Application Section II**
Filing Requirements (New Insurers and Redomestications)

This section provides a guide to understanding the focus of each document of the Primary Application. It is important that applications be complete.

All documents submitted in support of the application must be current. However, in certain instances, some states have limited latitude to accept older documents, although generally no more than five (5) years old. Please contact the states individually if there are questions about a specific document.

All forms required for the Primary Application are available under the Primary Application tab. The Applicant Company can download these documents for printing and submission. The Primary Application cannot be filed electronically via the NAIC/UCAA portal. It must be file directly with the state of domicile. Please contact the state for instructions on the preferred method/format for filing.

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1. Application Form and Attachments
2. Filing Fee
3. Minimum Capital and Surplus Requirements
4. Statutory Deposit Requirements
5. Name Approval
6. Plan of Operation
7. Holding Company Act Filings
8. Statutory Membership(s)
9. SEC Filings or Consolidated GAAP Financial Statement
10. Debt-to-Equity Ratio Statement
11. Custody Agreements
12. Public Records Package
13. NAIC Biographical Affidavits
14. State-Specific Information

1. Application Form and Attachments

The application must identify all lines of insurance (Form 3) the Applicant Company is requesting authority to transact, as identified by the Applicant Company’s plan of operation. Only the Applicant Company using this application for a redomestication filing need to complete the section listing the lines of business that the Applicant Company is currently licensed to transact and is transacting in all jurisdictions. Submit a completed checklist (Form 1P) and original executed application form (Form 2P) as Item 1 of the application.
2. **Filing Fee**

The application must include a filing fee for the state in which an application is being submitted. The payee name and the instructions for submitting the filing fee are included in the [Filing Fees - Primary and Expansion Applications] chart. Submit a copy of the Applicant Company’s check as Item 2 of the application.

3. **Minimum Capital and Surplus Requirements**

The application must show that the Applicant Company meets the state’s statutory minimum capital and surplus requirements. In some states, the minimum capital and surplus requirements are determined by the classes of insurance that the Applicant Company is requesting authority to transact and the classes of insurance the Applicant Company is authorized to transact in all other jurisdictions. The state will determine the level of surplus required after considering the Applicant Company’s product line, operating record and financial condition. Compliance with the statutorily prescribed minimum surplus requirement may not be sufficient for all applicants. Review the chart that identifies the [Minimum Capital and Surplus Requirements] for each Uniform State. This chart also provides a contact person or a link to a state-specific forms or RBC requirements and instructions. Submit an explanation of the Applicant Company’s compliance with the capital and surplus requirements as Item 3 of the application.

4. **Statutory Deposit Requirements**

The domiciliary state may require a statutory deposit. The [Statutory Deposit Requirements] chart provides state-specific requirements and identifies those states that require a Statutory Deposit. Submit as Item 4 of the Application, documentation explaining how the Applicant Company meets or is meeting the statutory deposit requirements. Unless otherwise indicated, the Statutory Deposit is for the benefit of all policyholders.

5. **Name Approval**

Each state has different guidelines and procedures for name approval. The [Name Approval Requirements] chart is intended to serve as a guide for the various name approval requirements of each Uniform State. The Applicant Company should check with the state to ensure compliance with all applicable name approval requirements. Where applicable, submit evidence of name approval request as Item 5 of the application.

6. **Plan of Operation**

The plan of operation has three components, a brief narrative, proforma financial statements/projections (Form 13) and a completed Questionnaire (Form 8). The narrative should include significant information not captured as part of the Questionnaire that the Applicant Company submits in support of the application, such as the reason for redomestication. The proforma is one of the three (3) components in the Plan of Operation. The proforma is available for Life, Property/Casualty, Health and Title companies. Provide a company-wide, three-year proforma balance sheet and income statement. For the lines requested, provide three-year premium and loss projections by line for the application state. Projections must support all aspects of the proposed plan of operation, including reinsurance arrangements and any delegated function agreements. Include the assumptions used to arrive at these projections.
The proforma when applied to the primary redomestication application is projected data. The proforma workbook should be the same business type as the financial statement blank filed with the NAIC. As such, the projected amounts need not balance with historical NAIC financial filings. The projected data, however, should be relevant to the Applicant Company’s history of growth and losses as contemplated by the NAIC Accounting Practices and Procedures Manual.

The proforma should be completed by statutory accounting or financial reporting professionals that should be available to answer any questions or concerns from reviewing regulatory staff. The proforma is completed on an annual basis, typically for a three year time period, however, some states may require five years. The proforma should start with the first full year of operation that the Applicant Company anticipates actively writing business in the state(s) receiving the application. The proforma excel workbook is password protected and cannot be modified. When projecting five years, two workbooks will be required. Submit the completed Questionnaire and all attachments as Item 6 of the application.

7. **Holding Company Act Filings**

If the Applicant Company is a member of a holding company system, the application must include either the most recent Holding Company Act (HCA) filings, including the Annual Form B Registration Statement and related Form F or a statement substantially similar to the NAIC Insurance Holding Company System Regulatory Act (#440). The filing should include all attachments, exhibits appendices referenced in the HCA filings, and the most recent Corporate Governance Annual Disclosure, include any updates if the disclosure has not been restated, as Item 7 of the application. Include all attachments and any amendments up to the application filing date and include copies of all advisory, management and service agreements.

8. **Statutory Memberships**

In some states, the Applicant Company is required to join one or more rating, guarantee or other organizations before transacting insurance. Generally, the Applicant Company’s authorized lines of insurance govern statutorily mandated memberships. Review the Statutory Membership Requirements chart prior to contacting the licensure state about any required statutory memberships before transacting insurance. Submit documentation supporting membership application(s) as indicated, in states where required, as Item 8 of the application.

9. **SEC Filings or Consolidated GAAP Financial Statement**

If the Applicant Company, its parent or its ultimate holding company has made a filing or registration with the U.S. Securities and Exchange Commission (SEC) in connection with a public offering within the last three years, or filed an 8K, 10K or 10Q within the last 12 months, the application must note that the filing, including any supplements or amendments, is available electronically from the SEC. If the Applicant Company, its parent or its ultimate holding company is not publicly traded, the application must include a copy of the Applicant Company’s most recent Consolidated GAAP financial statement. Submit the notice of SEC filings or copy of a Consolidated GAAP statement as Item 9 of the application.
10. Debt-to-Equity Ratio Statement

Members of a holding company system must submit debt-to-equity information as Item 10 of the application. The application must include a comprehensive debt-to-equity ratio statement that includes the following information.

A. Provide the consolidated outside debt to consolidated equity ratio on a GAAP basis for the holding company. *

<table>
<thead>
<tr>
<th>Debt Duration</th>
<th>Debt Amount ($)</th>
<th>Debt to Consolidated Equity Ratio</th>
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<td>Up to 5 years</td>
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<td>Up to 10 years</td>
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<tr>
<td>Up to 20 years</td>
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</tbody>
</table>

B. Provide the most recent consolidated holding company financial statement.

C. State if the holding company, on a consolidated basis, has a tangible net worth: a) for the past three years; b) at present; and c) provide projections with assumptions for a three-year period.

D. The Applicant Company must clearly substantiate the sources of repayment of any debt, including, but not limited to, whether the source of repayment is independent from the future income of the insurers.

E. Calculate the debt service (as reported in D above) required of each insurer as a percentage of the Applicant Company’s capital and surplus.

F. List the assets of the holding company, if any, that are pledged to fund the debt service or debt repayment of an affiliate or parent (include the assets or stock of any insurer subsidiaries)

G. List any guarantees (personal or otherwise) from the shareholders for repayment of the debt.

*Some states may require re-statement based upon statutory equity.

11. Custody Agreements

The Applicant Company should include a statement setting forth whether or not any of the Applicant Company’s stocks, bonds, or other physical or book entry securities are in the physical possession of another entity.

If any of the Applicant Company’s stocks, bonds or other securities are not in the Applicant Company’s actual physical possession or in a safe deposit box under the exclusive control of the Applicant Company (except as shown in the Schedule of Special Deposits in the Applicant Company’s Annual Statement), the application must include the written agreement with each entity holding and/or administering these securities. The written agreement should include appropriate safeguards for the handling of the securities, in accordance with those specified in the NAIC Financial Condition Examiners Handbook (Handbook).
Some states have additional requirements for these custody agreements, beyond those called for in the Handbook. Submit the statement and copies of the custody agreements as Item 11 of the application.

12. Public Records Package

Most states have requirements to disclose information to the public under a Public Records Act. To meet these public disclosure requirements certain items must accompany the application. While these documents may or may not be part of the substantive review, please be sure to include the required documents with the application. The Public Records Package chart contains requirements for financial and operational filings. An Applicant Company seeking to redomesticate should provide both financial and operational documents for the application state. An Applicant Company that is seeking to form a new insurer should include all documents listed in the operational section of the chart for the application state. Submit all documents required by the application state as Item 12 of the application.

13. NAIC Biographical Affidavit (Biographical Affidavit)

A. The Applicant Company is required to submit an NAIC Biographical Affidavit (Form 11) in connection with pending or future application(s) for licensure or a permit to organize with a department of insurance in one or more states. The Applicant Company must submit an NAIC Biographical Affidavit on behalf of all officers, directors and key managerial personnel of the Applicant Company and individuals with a ten percent (10%), or more, beneficial ownership in the Applicant Company and the Applicant Company’s ultimate controlling person (“Affiant”).

B. The UCAA defines “Independent Third-Party” as:

   (i) A consumer reporting agency (“CRA”) overseen by the Federal Trade Commission (“FTC”) and, therefore, subject to the FCRA, which have been vetted and is currently on the approved list;
   
   (ii) Has the ability to perform international background investigations; and
   
   (iii) One whose officers and directors have no material affiliation with the Applicant Company other than stock ownership amounting to less than one percent (1%) of total stock outstanding, unless prior approval is given by the department of insurance to which application is being made.

C. The NAIC Biographical Affidavit requests information with respect to the Affiant’s employment history, education, personal information and character. The NAIC Biographical Affidavit also includes the Disclosure and Authorization Concerning Background Reports (the “Disclosure & Authorization Form”). The signature of the Affiant on the Disclosure & Authorization Form permits an Independent Third-Party to conduct an independent third-party verification on the Affiant.

D. The NAIC Biographical Affidavit includes three types of the Disclosure & Authorization Form. There are three different Disclosure & Authorization Forms since certain state laws, regulations and rules require different kinds of disclosures and wording within such
form. An Affiant must sign the corresponding Disclosure & Authorization Form(s) for the respective state(s) where the Affiant has lived or worked within the last ten (10) years. Refer to the Disclosure & Authorization Forms for further information.

E. The NAIC Biographical Affidavit is used to evaluate the suitability, competency, character and integrity of the Affiant in connection with an Applicant Company’s pending or future application(s) for licensure or a permit to organize with a department of insurance in one or more states.

The Independent Third-Party uses information contained in the NAIC Biographical Affidavit as a tool to perform an independent third-party verification to determine an individual’s fitness and propriety. The independent third-party verification may contain information bearing on the Affiant’s character, general reputation, personal characteristics, mode of living and credit standing (if required by the state). The Independent Third-Party Vendor shall use the independent third-party verification to create a background report (the “Background Report”).

F. The Disclosure & Authorization Form is valid for a maximum of six months. Additionally, an Affiant may revoke the authorization at any time by delivering a written revocation to the Applicant Company. Refer to the Disclosure & Authorization Form for further information.

G. The Background Reports are subject to the Fair Credit Reporting Act (“FCRA”). Pursuant to FCRA, the state departments of insurance and an Applicant Company who is seeking admission are “users” of consumer reports. The FCRA requires that the Applicant Company provide the Affiant with a copy of the “Summary of Your Rights Under the Fair Credit Reporting Act.” The Applicant Company should provide a copy of the “Summary of Your Rights under the Fair Credit Reporting Act” to each Affiant. This summary can be found at the Federal Trade Commission (“FTC”) website. Background Reports are valid for six months from the signature date of the affidavit. Any alteration to the original biographical affidavit or updated signature will require a newly prepared background report.

H. The Applicant Company and state departments of insurance are required to comply with FCRA, especially as it relates to confidentiality of the information contained in such consumer reports. To the extent required by law, the states and Independent Third-Party Vendors should maintain the Background Reports procured under the Disclosure & Authorization Form as confidential. A copy of the FCRA is located here.

I. The department of insurance in the state where an Applicant Company files, or intends to file, an application and the Applicant Company may require the Background Report. An Affiant who desires a copy of their Background Report may request a copy from the Applicant Company or the CRA as indicated on the Disclosure & Authorization Form. Refer to the Disclosure & Authorization Form for further information.

J. Please check state requirements for those states that require additional background information, such as fingerprints, in place of, or in addition to, NAIC Biographical Affidavits. If applying in one of those states, necessary fingerprints and processing fees should be included.
Refer to the list of currently approved Independent Third-Party Vendors for Background Reports.

NAIC Biographical Affidavits must be completed on the most current form [Word | PDF], in effect at the time the affidavit was signed and the Affiant shall not sign the Affidavits more than six months before the date the Applicant Company files the application. Each question on the biographical affidavit must have a response. If an answer is “None”, then so state. Incomplete biographical affidavits could delay the background investigation report and result in a delay of the application review by the state.

Submit original Biographical Affidavits (Form 11 [Word | PDF]) that contain the Disclosure & Authorization Forms to the state department(s) of insurance as Item 13 of the application.

14. State-Specific Information

Some jurisdictions may have additional requirements before a Certificate of Authority is issued. Before completing a UCAA Primary Application, the Applicant Company should review the list of requirements on the State-Specific Requirements for the application state. Submit state-specific requirements as Item 14 of the application.

Primary Application Section III
Filing Requirements – Redomestications Only

The requirements of this section are only for those Applicant Company’s seeking to redomesticate from one state to another and are in addition to the requirements of Section II, Items 1 through 14 of the Primary Application. A redomestication is the process whereby any insurer organized under the laws of any state may become a domestic insurer that transfers its domicile to another state by merger or consolidation or any other lawful method. The Applicant Company files the Primary Application with the Applicant Company’s new state of domicile when used for a redomestication.

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15. Annual Statements with Attachments
16. Quarterly Financial Statements
17. Risk-Based Capital Report
18. Independent CPA Audit Report
19. Reports of Examination
20. Certificate of Compliance
21. Corporate Governance Annual Disclosure

15. Annual Statement with Attachments

Include a copy of the Applicant Company’s most recent annual statement as filed in the current state of domicile including all statements and supplements in accordance with the Annual Statement Instructions, including the Statement of Actuarial Opinion and Management’s Discussion and Analysis. The annual statement should be signed and verified and include an original certification from the state insurance regulatory agency of the Applicant Company’s domiciliary state.
Include one copy of the Applicant Company’s annual statement for the two (2) preceding years in addition to the most recent annual statement.

Property/Casualty insurers must attach the Insurance Expense Exhibit, Accident and Health Policy Experience Exhibit and/or Schedule P to the annual statement.

Life insurers must include a Certificate of Valuation from the domiciliary state insurance regulatory agency.

Members of a holding company system must attach a copy of the most recent consolidated annual statement, if filed with its current state of domicile. Submit the annual statement, with the necessary attachments, as Item 15 of the application.

16. **Quarterly Statements**

Include one (1) copy of each quarterly statement that follows the most recent annual statement. In addition, the Applicant Company must immediately forward any new quarterly statements that become available while the application is pending to all states in which applications are pending. Submit the quarterly statements as Item 16 of the application.

17. **Risk-Based Capital Report**

Include a Risk-Based Capital Report, submitted in the level of detail required by the NAIC, as Item 17 of the application. Please note that the states will maintain confidentiality of these reports.

18. **Independent CPA Audit Report**

Include a CPA Audit Report, performed by a certified public accountant that is not an employee of the Applicant Company. Submit the CPA Audit Report as Item 18 of the application. Some states allow exemptions to this requirement for small insurers. Please contact the states individually regarding exemptions.

19. **Reports of Examination**

The application must include a copy of the Applicant Company’s most recent Report of Financial Examination from its domiciliary state. The Applicant Company must also note all more recent examinations completed by any state, including market conduct examinations, and provide a description of each examination. Refer to the Reports of Examination Requirements chart for the exam “as of” date. Submit the Report of Financial Examination and a list of more recent examinations with descriptions as Item 19 of the application.

20. **Certificate of Compliance**

Include a Certificate of Compliance (Form 6) with the application. Please refer to the Certificate of Compliance and Certificate of Deposit Requirements chart for specific requirements for the date of issuance of the Certificate of Compliance (Form 6) from the file date of the application. The current domiciliary state must complete the Certificate of Compliance. Submit as Item 20 of the application.
21. Corporate Governance Annual Disclosure

If applicable, include the most recent Corporate Governance Annual Disclosure, include any updates if the disclosure has not been restated. Submit the Registration Statement and Annual Disclosure as Item 21 of the application.

Primary Application Section IV
How to File

To facilitate the prompt review of the Primary Application, please ensure that the application adheres to the formatting instructions provided in this section. States will not accept any applications that fail to meet these formatting requirements. Section IV will address the following areas:

1. Communication Between Applicant Company and Agency
2. Questions
3. Application Checklist
4. Application and Supporting Documents
5. Addresses for Submission of Application
6. Updates/Changes
7. Filing Fee
8. Forms
9. State-Specific Information

1. Communication Between Applicant Company and Agency

Once the state accepts a Primary Application for filing, the state will notify the Applicant Company of the official filing date and agency contact person. The state will provide names, addresses, email (if available) and telephone numbers of the individual(s) assigned to the application.

Prior to receiving the name of the agency contact person, an Applicant Company may contact the agency personnel listed on the Addresses and Contacts for Submission of Application chart to obtain information regarding the status of a Primary Application.

2. Questions

Section II and Section III, Filing Requirements, provide detailed guidelines regarding both the type and format of information required for the Primary Application. In most cases, the state provides an agency contact person for each item in the Filing Requirements section. For additional information, or clarification, Applicant Company’s may use the contact names provided in the Addresses and Contacts for Submission of Application chart.

3. Application Checklist

The application checklist (Form 1P) provides a guide for assembling a complete application. Complete the checklist before submitting a Primary Application for review. Attach a completed checklist to the top of each application.
4. Application and Supporting Documents

Submit one copy of the Checklist, completed application and all supporting documentation to the reviewing state. California, Kentucky and New York require two (2) complete copies. Each item identified in Section II and Section III of the Filing Requirements should have a cover sheet as specified below.

Each cover sheet should be on paper suitable for use as a cover sheet, such as binder divider pages.

The Applicant Company needs to tab each cover sheet on the right-hand side of the page with a number corresponding to the document’s item number in the Primary Application checklist.

If a particular item is not included with the cover sheet, the Applicant Company must attach to the cover sheet a written explanation stating the reason the item has not been included. Set forth below are examples of why the Applicant Company may not attach a particular item to the cover sheet.

- “Item not applicable to this application for the following reason ... (state reason).”
- “Item has been attached separately because of size.”

5. Addresses for Submission of Application

Submit the application by mailing it to the appropriate address noted on the Addresses and Contact Information for Submission of Application chart.

6. Updates/Changes

The Applicant Company is responsible for informing states of any significant changes that occur or that the Applicant Company discovers during the application review period. Examples of significant changes include: changes in officers and directors, material acquisition or disposal of assets, changes in reinsurance, acquisition of the insurer, change in proposed shareholders, regulatory actions taken against the insurer, change in current business plan, etc.

The Applicant Company must supply revised forms promptly if any changes occur that materially affect the accuracy of the forms filed in support of the application. For example, the Applicant Company must forward new quarterly statements as soon as they become available.

7. Filing Fee

Please see the Filing Fees - Primary and Expansion Applications chart to determine the correct fee and filing instructions for the application state.

8. Forms

All forms are available under the Primary Application tab and labeled as UCAA Forms. All forms can be downloaded, printed and submitted with a completed application. The forms MUST NOT be altered. At this time, the forms cannot be submitted electronically.
9. State-Specific Information

Some jurisdictions may have additional requirements that the Applicant Company must meet before a state can issue a Certificate of Authority. Before completing a UCAA Primary Application, the Applicant Company should review a listing of requirements for the application state under State-Specific Requirements.
EXPANSION APPLICATION

The Expansion Application to the Uniform Certificate of Authority Application (UCAA) is for use by an Applicant Company that wishes to expand into one or more Uniform States. The Applicant Company may file Expansion Applications simultaneously in as many states as desired. Prior to submitting an application in a foreign state, the Applicant Company should inform the state of domicile of its plans in the foreign state(s).

Based on the circumstances of a particular application, it may be necessary for the reviewing state to request additional information.

The UCAA Expansion Application has three sections designed to guide the Applicant Company through the admission process:

   I. Application Review Process
   II. Filing Requirements
   III. How to File

The goal of the UCAA is to provide a streamlined approval process. However, some states have state-specific filing requirements based on either statutory requirements or internal procedures. All Applicant Companies must be familiar with the insurance laws of the state to which they submit an application. Please see the UCAA home page for information on obtaining a copy of the laws, regulations and bulletins for each state.

Direct any questions about the uniform admission process or state-specific filing requirements to the contact shown on the list of Addresses and Contact Information for Submission of Applications. To assure a prompt review, the Applicant Company should review the instructions, state charts and Frequently Asked Questions (FAQs) prior to contacting each state with questions before submitting the application.

Expansion Application Section I
Application Review Process

The Expansion Application is an abbreviated version of the UCAA designed to allow solidly performing companies that are in good standing in all admitted states to gain admission into new states quickly and easily. It is the goal of all Uniform States to complete their review of Expansion Applications within 60 calendar days with receipt of a complete application. The 60-day review process includes two weeks to determine if the application is complete and acceptable. A completed application includes all required information detailed in the expansion application instructions, any state specific requirements and filing fees. During the remaining time span, the application will receive a financial and operational review. The states may not achieve the 60-day processing goal in instances where substantial follow-up is required or in states with limited resources or in instances when the Applicant Company files an application during peak business periods, such as year-end and annual statement filing periods. The Applicant Company has 30 days to comply with the state’s request for additional information or the state can deem the application insufficient and close. If the Applicant Company is unable to comply with the
request or provide a response within 30-days, they will need to withdrawal their application and reapply at a later time.

Based on the circumstances of a particular application, it may be necessary for the reviewing state to request additional information. Anytime the state requests additional information, the state suspends the 60-day review goal until it receives the requested information. The purpose of the Expansion Application is to streamline application processing and the states will make every effort to process an Expansion Application as quickly as possible. For an electronic application, the state may request that the Applicant Company amend their application. While an electronic application is in amended status, the state cannot view or access the expansion application and therefore the 60-day goal is suspended until the company resubmits their application. Refer to the Electronic User Guide for instructions on amending an electronic application.

Refer to the Company Licensing Best Practices Handbook, for more information regarding the review process.

Proprietary Information

Both regulators and the Applicant Company should note that communications with insurance regulatory agencies in conjunction with the Expansion Application concerning proprietary information about the Applicant Company may be deemed confidential. States may only share information determined to be confidential with other persons as authorized by law. By law, the state will not disclose to the public any information determined to be proprietary and trade secret. Each Applicant Company needs to expressly identify all information in the application and in any subsequent correspondence that the Applicant Company considers proprietary or trade secret.

Please do not hesitate to contact the appropriate state insurance regulators with any questions before filing any Uniform Application.

Step One: Filing the Application

The Applicant Company may submit an Expansion Application anytime during the year. States will immediately review the Expansion Application to ensure that the Applicant Company submits the application in the required format as outlined in these instructions.

Generally, within two weeks from the date the state receives the application, the state will notify the Applicant Company whether or not the state has accepted the application for filing. If the state accepts the application for filing, the state will assign an official filing date.

The state will contact the Applicant Company if it does not accept the application for filing due to a deficiency in the application’s format. Depending upon the nature of the deficiency, the state may give the Applicant Company two weeks from the date of receipt of notification to correct the deficiency. Some states may return to the Applicant Company applications that are deficient and not accepted for filing. For electronic applications, the expansion state will provide a “closed” status date, indicating that the filing has been returned and no further review will take place.

Step Two: Application Review
An Expansion Application will undergo a rigorous financial and operational review in each state to which the Applicant Company submits the application.

At the conclusion of each state’s substantive review, the state will grant the Applicant Company a Certificate of Authority, it will allow the Applicant Company to withdraw the application or it will deny the application. Each state independently reaches a decision to either approve or deny an Expansion Application. It is entirely possible that some states might approve an Expansion Application and other states might deny the application.

If any state denies the application, that state will notify the Applicant Company and provide a detailed explanation for the denial. After the denial, if the Applicant Company wishes to re-file an Expansion Application, the state will require a new application and filing fee.

When the state has denied or asked the Applicant Company to withdraw the electronic expansion application, the state will provide a “closed” status date. Refer to the electronic Expansion Application User Guide, for detailed information.

Since only established companies can use an Expansion Application, the states assume that the Applicant Company has a basic understanding of the Certificate of Authority review process. Please refer to the Primary Application or the Company Licensing Best Practices Handbook for a more detailed explanation of the process. The Applicant Company is strongly encouraged to review the state charts, and FAQs prior to contacting the states with questions before submitting an application for review.

Expansion Application Section II
Filing Requirements

This section provides a guide to understanding the focus of each document of the Expansion Application. However, there typically are multiple purposes for the documents. Therefore, it is important that applications be complete.

All documents submitted in support of the application must be current. However, in certain instances, some states have limited latitude to accept older documents, although generally no more than five (5) years old. Please contact the states individually if there are questions about a specific document.

All forms required for the Expansion Application are located under the Expansion Application tab in the UCAA Forms Section.

Table of Contents

1. Expansion Application Form
2. Filing Fee
3. Minimum Capital and Surplus Requirements
4. Statutory Deposit Requirements
5. Name Approval
6. Plan of Operation
7. Holding Company Act Filings
8. Certificate of Compliance
9. Reports of Examination
1. **Application Form and Attachments**

The application must identify all lines of insurance (Form 3) the Applicant Company is currently licensed to transact and all lines of insurance the Applicant Company is requesting authority to transact, as identified by the Applicant Company’s plan of operation. The Applicant Company must be authorized in their domiciliary state for the lines of business requested in the application. Submit a completed checklist (Form 1E) and original executed application form (Form 2E) as Item 1 of the application. A cover letter may be included as a component of Item 1 of the application. The Applicant Company should review the **Seasoning Requirements chart** for each state where the company plans to expand.

2. **Filing Fee**

Include a filing fee for each application state. Please issue a separate check for each state. The payee name and the instructions for submitting the filing fee are included in the **Filing Fees - Primary and Expansion Applications** chart. Please note that due to retaliatory statutes, the ultimate amount of fees in any state may be more than the amount indicated in the chart. For electronic applications, mail the filing fee check to the submission state and attach a copy of the electronic application checklist as supporting documentation. Submit/upload a copy of the Applicant Company’s check as Item 2 of the application.

3. **Minimum Capital and Surplus Requirements**

The application must show that the Applicant Company meets each state’s statutory minimum capital and surplus requirements. In some states, the minimum capital and surplus requirements are determined by the classes of insurance that the Applicant Company is requesting authority to transact and the classes of insurance the Applicant Company is authorized to transact in all other jurisdictions. The state will determine the level of surplus required after considering the Applicant Company’s product line, operating record and financial condition. Compliance with the statutorily prescribed minimum surplus requirement may not be sufficient for all applicants. The **Minimum Capital and Surplus Requirements** chart identifies the minimum capital and surplus requirements for each Uniform State. The chart also provides a contact person or a link to a state-specific format or RBC requirements and instructions. An explanation of the Applicant Company’s compliance with the capital and surplus requirements is Item 3 of the application.
4. **Statutory Deposit Requirements**

Some states require that a statutory deposit be on file in the domiciliary state. The [Statutory Deposit Requirements](#) chart on the UCAA website provides specific requirements and identifies those states that require deposits by foreign insurers and proof of a Statutory Deposit in the domiciliary state. A foreign insurer is an insurer that is domiciled in another state. Please refer to the [Certificate of Compliance and Certificate of Deposit Requirements](#) chart on the UCAA website for specific requirements for the date of issuance of the Certificate of Deposit *(Form 7)* from the file date of the application. Unless otherwise indicated, the statutory deposit is for the benefit of all policyholders. In the states where proof is required, the Certificate of Deposit *(Form 7)* prepared by its state of domicile is Item 4 of the application.

For electronic applications, the domiciliary state should upload or complete the certificates in the electronic filing.

5. **Name Approval**

Each state has different guidelines and procedures for name approval. The [Name Approval Requirements](#) chart serves as a guide for the various name approval requirements of each Uniform State. The Applicant Company should check with each state separately to ensure compliance with all applicable name approval requirements. Where applicable, provide evidence of name approval request as Item 5 of the application.

6. **Plan of Operation**

The plan of operation has three components, a brief narrative, proforma financial statements/projections *(Form 13)* and a completed Questionnaire *(Form 8)*. The narrative should include significant information not captured as a part of the Questionnaire that the company submits in support of the application. The proforma is one of the three (3) components in the Plan of Operation. The forms are located under the Expansion Application tab. There is a proforma for Life, Property/Casualty, Health and Title companies. Provide a company-wide, three-year proforma balance sheet and income statement. The proforma workbook should be the same business type as the financial statement blank filed with the NAIC. For the lines requested, provide three-year premium and loss projections by line for the application state. Projections must support all aspects of the proposed plan of operation, including reinsurance arrangements and any delegated function agreements. Include the assumptions used to arrive at these projections.

The proforma when applied to the expansion application is projected data. As such, the projected amounts need not balance with historical NAIC financial filings. The projected data, however, should be relevant to the Applicant Company’s history of growth and losses as contemplated by the NAIC *Accounting Practices and Procedures Manual*.

The proforma should be completed by statutory accounting or financial reporting professionals that should be available to answer any questions or concerns from reviewing regulatory staff. The proforma is completed on an annual basis, typically for a three-year time period, however, some states may require five years. The proforma should start with the first full year of operation that the Applicant Company anticipates actively writing business in the state(s) receiving the
application. When providing five years of projections, the Applicant Company can provide two excel workbooks.

The completed Questionnaire and all attachments are Item 6 of the application.

7. **Holding Company Act Filings**

If the Applicant Company is a member of a holding company system, the application must include either the most recent Holding Company Act (HCA) filings, including the Annual Form “B” Registration Statement and related Form F, or a statement substantially similar to the NAIC *Insurance Holding Company System Regulatory Act* (#440). The filing should include all attachments, exhibits and appendices referenced in the HCA filings. Submit the HCA filings as Item 7 of the application and include all attachments and any amendments up to the filing date of the application.

8. **Certificate of Compliance**

The application must include a Certificate of Compliance. Please refer to the Certificate of Compliance and Certificate of Deposit Requirements chart for specific requirements for the date of issuance of the Certificate of Compliance (Form 6) from the file date of the application. The domiciliary state must complete the Certificate of Compliance (Form 6) which is Item 8 of the application. For electronic submission, the domiciliary state should upload or complete the certificate in the electronic filing.

9. **Reports of Examination**

The application must include a copy of the Applicant Company’s most recent Report of Financial Examination from its domiciliary state. The Applicant Company must also note all more recent examinations completed by any state, including market conduct examinations, and include a description of each examination. Refer to the Reports of Examination Requirements chart for the state’s exam “as of” date. The Report of Financial Examination and a list of more recent examinations with descriptions is Item 9 of the application.

10. **Statutory Memberships**

In some states, the Applicant Company is required to join one or more rating, guaranty or other organizations before transacting insurance. Generally, the authorized lines of insurance the Applicant Company can transact govern statutorily mandated memberships. Please be sure to check with each application state to inquire about any statutory memberships required before transacting insurance. The Statutory Membership Requirements chart is on the UCAA website. Submit documentation supporting membership application(s) in states where required, as Item 10 of the application.

11. **Public Records Package**

Most states have requirements to disclose information to the public under a Public Records Act. To meet these public disclosure requirements certain items must accompany the application. While these documents may or may not be part of the substantive review, please be sure to include the documents with the application. The Public Records Package chart provides the
state’s listing of items that can be provided in electronic format and which items are held confidential. Submit all documents listed for the application state as Item 11 of the application.

12. NAIC Biographical Affidavits

A. The Applicant Company is required to submit an NAIC Biographical Affidavit (Form 11) in connection with pending or future application(s) for licensure or a permit to organize with a department of insurance in one or more states. The Applicant Company must submit an NAIC Biographical Affidavit on behalf of all officers, directors and key managerial personnel of the Applicant Company and individuals with a ten percent (10%), or more, beneficial ownership in the Applicant Company or the Applicant Company’s ultimate controlling person (Affiant). Individuals with ten percent (10%) or more beneficial ownership in the Applicant Company or Applicant Company’s ultimate controlling person who do not file a biographical affidavit should file a copy of the Disclaimer of Control and approval from the domiciliary regulator.

B. The UCAA defines “Independent Third-Party” as:

(i) A consumer reporting agency (“CRA”) overseen by the Federal Trade Commission (“FTC”) and, therefore, subject to the FCRA, which have been vetted and is currently on the approved list;

(ii) Has the ability to perform international background investigations; and

(iii) One whose officers and directors have no material affiliation with the Applicant Company other than stock ownership amounting to less than one percent (1%) of total stock outstanding, unless prior approval is given by the department of insurance to which application is being made.

C. The NAIC Biographical Affidavit requests information with respect to your employment history, education, personal information and character. The NAIC Biographical Affidavit also includes the Disclosure and Authorization Concerning Background Reports Form (the “Disclosure & Authorization Form”). The signature of the Affiant on the Disclosure & Authorization Form permits an Independent Third-Party to conduct an independent third-party verification on the Affiant.

D. The NAIC Biographical Affidavit includes three types of the Disclosure & Authorization Form. There are three different Disclosure & Authorization Forms since certain state laws, regulations and rules require different kinds of disclosures and wording within such form. An Affiant must sign the corresponding Disclosure & Authorization Form(s) for the respective state(s) where the Affiant has lived or worked within the last ten (10) years. Refer to the Disclosure & Authorization Forms for further information.

E. The NAIC Biographical Affidavit is used to evaluate the suitability, competency, character and integrity of the Affiant in connection with an Applicant Company’s pending or future application(s) for licensure or a permit to organize with a department of insurance in one or more states.

The Independent Third-Party uses information contained in the NAIC Biographical Affidavit as a tool to perform an independent third-party verification to determine an individual’s fitness and propriety. The independent third-party verification may contain
information bearing on the Affiant’s character, general reputation, personal characteristics, mode of living and credit standing (if required by the state). The Independent Third-Party Vendors shall use the independent third-party verification to create a background report (the “Background Report”).

F. The Disclosure & Authorization Form is valid for a maximum of six months. Additionally, an Affiant may revoke the authorization at any time by delivering a written revocation to the Applicant Company. Refer to the Disclosure & Authorization Form for further information.

G. The Background Reports are subject to the Fair Credit Reporting Act (“FCRA”). Pursuant to FCRA, the state departments of insurance and an Applicant Company who is seeking admission are “users” of consumer reports. The FCRA requires that the Applicant Company provide the Affiant with a copy of the “Summary of Your Rights Under the Fair Credit Reporting Act.” Applicant Company’s should provide a copy of the “Summary of Your Rights under the Fair Credit Reporting Act” to each Affiant. This summary can be found at the Federal Trade Commission (“FTC”) website. Background Reports are valid for six months from the signature date of the affidavit. Any alteration to the original biographical affidavit or updated signature will require a newly prepared background report.

H. The Applicant Company and state departments of insurance are required to comply with FCRA, especially as it relates to confidentiality of the information contained in such consumer reports. To the extent required by law, the states and Third-Party Vendors should maintain the Background Reports procured under the Disclosure & Authorization Form as confidential. A copy of the FCRA is located at here.

I. The department of insurance in the state where an Applicant Company files, or intends to file an application and the Applicant Company may require the Background Report. An Affiant who desires a copy of their Background Report, may request a copy from the Applicant Company or the CRA as indicated on the Disclosure & Authorization Form. Refer to the Disclosure & Authorization Form for further information.

J. Please check the Fingerprint and Biographical Affidavit Requirements chart for those states that require additional background information, such as fingerprints, in place of, or in addition to, NAIC Biographical Affidavits. If applying in one of those states, necessary fingerprints and processing fees should be included.

Refer to the UCAA homepage for a list of currently approved Independent Third-Party Vendors for Background Reports.

NAIC Biographical Affidavits must be completed on the most current form [Word | PDF], in effect at the time the affidavit was signed and the affiant shall not sign the Affidavits more than six months before the date the Applicant Company files the application. Each question on the biographical affidavit must have a response. If an answer is “None”, then so state. Incomplete biographical affidavits could delay the background investigation report and result in a delay of the application review by the state.
Submit original Biographical Affidavits (Form 11 [Word | PDF]) that contain the Disclosure & Authorization Forms to the state department(s) of insurance as Item 12 of the application.

13. Uniform Consent to Service of Process

Many jurisdictions require that the Applicant Company designate the insurance commissioner or a resident agent to receive service of process on behalf of the Applicant Company. In addition, the Applicant Company must designate a person or entity to receive a forwarded service of process after the commissioner receives the served documents. The Uniform Consent to Service of Process and the Resolution Authorizing Appointment of Attorney (Form 12) are required for this purpose. However, four states do not accept the Uniform Consent to Service of Process form. Those states are: California, Massachusetts, Virginia and Wisconsin. For those states, please see the State-specific Requirements for any information regarding this subject. Pennsylvania does not accept service of process and does not require a form. The Uniform Consent to Service of Process and Resolution Authorizing Appointment of Attorney is Item 13 of the application.

14. State-Specific Information

Some jurisdictions may have additional requirements that the Applicant Company must meet other than that required above. Before completing a UCAA Expansion Application, the Applicant Company should review the State-specific information for the listing of requirements for the state to which an application is being submitted. State-Specific items are Item 14 of the application.

Expansion Application Section III

How to File

To facilitate the prompt review of the Expansion Application, please ensure that the application adheres to the formatting instructions provided in this section. The state will not accept for filing any applications that fail to meet these formatting requirements.

Table of Contents

1. Communication Between Applicant Company and Agency
2. Questions
3. Application Checklist
4. Application and Supporting Documents
5. Addresses for Submission of Application
6. Updates/Changes
7. Filing Fee
8. Forms
9. State-Specific Information

1. Communication Between Applicant Company and Agency

Once a state has accepted an Expansion Application for filing, the state will notify the Applicant Company of the filing date and provide the agency contact person. The state will provide the
names, addresses, email (if available) and telephone numbers of the individual(s) assigned to the application.

Before receiving the name of the agency contact person, the Applicant Company may contact the agency personnel in the Addresses and Contact Information for Submission of Application chart to obtain information regarding the status of an Expansion Application.

2. Questions

Section II, Filing Requirements, provides detailed guidelines regarding both the type and format of information required for the Expansion Application. In most cases, the state provides an agency contact person for each item in the Filing Requirements section before receiving the name of the agency contact person, the Applicant Company may contact the agency personnel on the Addresses and Contact Information for Submission of Application chart to obtain information regarding the status of or questions for Expansion Application. In the electronic application UCAA email, a state distribution list is provided once the submission states are selected. Refer to the User Guide for instructions/location of the distribution list.

3. Application Checklist

The Application Checklist (Form 1E) provides a guide for assembling a complete application. Complete the Checklist before submitting an Expansion Application for review. Hard copy applications should include a completed Checklist to the top of each application. The Checklist is automatically completed in the electronic application and cannot be changed/edited.

4. Application and Supporting Documents

Hard copy applications should include one copy of the Checklist, completed application and all supporting documentation to each reviewing state. Each item identified in Section II Filing Requirements should have a cover sheet as specified below.

Each cover sheet should be on paper suitable for use as a cover sheet, such as binder divider pages. For the electronic application, the cover letter should be uploaded to the appropriate attachment button provided.

Tab each cover sheet on the right-hand side of the page with a number corresponding to the document’s item number in the “Filing Requirements” section of the Expansion Application.

If a particular item is not included with the cover sheet, attach a written explanation to the cover sheet stating the reason the item has not been included. These are examples of why the Applicant Company may not attach a particular item to the cover sheet:

- “Item not applicable to this application for the following reason ... (state reason).”
- “Item has been attached separately because of size.”

The electronic application includes all required items listed in Section II Filing Requirements. The Applicant Company should include a cover sheet to explain any item that is state specific or requires additional explanation.
5. **Addresses for Submission of Application**

Submit the application by mailing it to the appropriate address noted on the, **Addresses and Contact Information for Submission of Application** chart. Electronic applications are automatically available to the expansion state once the application is “finished.” See the **Electronic Application User Guide** for specific details regarding submission of the application.

6. **Updates/Changes**

The Applicant Company is responsible for informing states of any significant changes that occur or that the Applicant Company discovers during the application review period. Examples of significant changes include: changes in officers and directors, material acquisition or disposal of assets, changes in reinsurance, acquisition of the insurer, redomestication of the insurer, regulatory actions taken against the insurer, change in current business plan, etc.

The Applicant Company must supply revised forms promptly if any changes occur that materially affect the accuracy of the forms filed in support of the application. For example, the Applicant Company must forward new quarterly statements as soon as they become available.

In addition, all carriers admitted to transact insurance in any Uniform State are required to maintain their Certificate(s) of Authority in good order to ensure ongoing compliance with all applicable laws, regulations and bulletins.

For electronic applications, the Applicant Company can either amend their electronic filing or provide additional updated information via the UCAA email. Refer to the **Electronic Application User Guide** for additional instructions on amending and resubmitting an original filing.

7. **Filing Fee**

The **filing fees** chart provides the state’s fee and filing instructions for each application type.

8. **Forms**

All forms are available under the specific application tab. For electronic application, all forms are generated for each application type.

9. **State-Specific Information**

Some jurisdictions may have additional requirements that the Applicant Company must meet before the state can issue a Certificate of Authority. Before completing a UCAA Expansion Application, the Applicant Company should review a list of requirements for the state to which the Applicant Company is applying. These requirements are located under **State-Specific Requirements** on the UCAA homepage.
CORPORATE AMENDMENTS APPLICATION

Existing insurers use the Uniform Certificate of Authority Corporate Amendment Application for requesting amendments to its Certificate of Authority. A Uniform State is one that is committed to using the Uniform Certificate of Authority (UCAA) review process for company licensing and admissions.

The Applicant Company can use the Corporate Amendment Application to file more than one change in the same submission. The Applicant Company should mark all changes on the application form and submit all items required for those changes. For electronic application submissions, refer to the UCAA Corporate Amendment User Guide.

The following instructions contain a detailed explanation of the various requirements designed to assist in the preparation and submission of the necessary documentation to obtain regulatory approval. Each state’s review process may follow slightly different time lines to complete a comprehensive and detailed operational and financial review of the Applicant Company’s business.

Based on the circumstances of a particular application, it may be necessary for the reviewing state to request additional information. Typically, the state will request any additional information within 30 days after it accepts the application.

The goal of the UCAA is to provide a streamlined approval process. However, some states have State-Specific Filing Requirements based on either statutory requirements or internal procedures. The Applicant Company must be familiar with the insurance laws of the state(s) to which they submit an application. For information on state laws, regulations and bulletins, see the State Charts on the UCAA website.

It is highly recommended that the Applicant Company review the corporate amendment instructions, FAQs and state specific information prior to contacting each state with any questions before submitting the application for review.

Corporate Amendments Application Review Process

The Corporate Amendment Application of the UCAA provides a uniform process for gaining the necessary regulatory approvals for modifications to an Applicant Company’s Certificate of Authority. It is the goal of each Uniform State to process all Corporate Amendments Applications within 60 calendar days of receipt. The 60-day review process includes two weeks to determine if the application is complete and acceptable for filing. During the remaining time-span, the application will receive a financial and operational review. The state(s) may not achieve the 60-day processing goal in instances where the application requires substantial follow-up, in state(s) with limited resources or in instances when the application is filed during peak business periods such as year-end and annual statement filing periods.

Based on the circumstances of a particular application, it may be necessary for the reviewing state(s) to request additional information. Typically, the state(s) will request any additional information that it needs within 30 days after the state accepts the application. The Applicant Company has 30 days to comply with the state’s request for additional information or the state can deem the application
insufficient and close. If the Applicant Company is unable to comply with the request or provide a response within 30-days, they will need to withdrawal their application and reapply at a later time.

Proprietary Information

Both regulators and the Applicant Company should note that the Applicant Company might deem confidential any communications with insurance regulatory agencies in conjunction with the Corporate Amendment Application concerning proprietary information about the Applicant Company. States may only share information determined to be confidential with other persons as authorized by law. By law, the state will not disclose to the public any information determined to be proprietary and trade secret. Each Applicant Company needs to expressly identify all information in the application and in any subsequent correspondence that the Applicant Company considers proprietary or trade secret.

The UCAA homepage contains the requirements and filing process for the Corporate Amendment Application. Contact the appropriate state regulators with any questions before filing any Uniform Application. State contact information can be found on the Addresses and Contact Information for Submission of Application chart.

Step One: Filing the Application
Processing Goal: 2 Weeks

An Applicant Company may submit Corporate Amendment Applications anytime during the year. The state immediately reviews the application to ensure that it has been submitted in the required format as outlined in the instructions.

Generally, within two weeks from the date that the application is received, the state will notify the Applicant Company whether or not it has accepted the application for filing. If the state accepts the application for filing, it will assign an official filing date. For electronic application submissions the state notification will be the status date.

The state will contact the Applicant Company if it does not accept the application for filing due to a deficiency in the application’s format. Depending upon the nature of the deficiency, the state may give the Applicant Company two weeks from the date of receipt of the notification from the department reviewing the application to correct the deficiency. Some states may return to the Applicant Company any applications that are deficient and not accepted for filing. Electronic applications that are not accepted by the state will be updated with a “closed” status date.

Step Two: Application Review
Processing Goal: 60 Days

A Corporate Amendment Application will undergo a rigorous financial and operational review in the application state. While the goal of each state is to complete this review in 60 days, the state cannot guarantee this time frame. Due to varying levels of resources available in each state or if the state needs additional information, the 60-day goal may not be attainable. The purpose of the Corporate Amendment Application is to streamline the application process and the states will make every effort to process a Corporate Amendment Application as quickly as possible.
At the conclusion of the substantive review the reviewing state will grant the Applicant Company an amendment to the Certificate of Authority, allow the Applicant Company to withdraw the application, or will deny the application.

If the state denies the application, the Applicant Company will be notified with a detailed explanation for the denial. After the denial, if the Applicant Company wishes to re-file a Corporate Amendment Application, the state will require a new application and filing fee.

**How to File**

Refer to the [State-Specific Information](#). Some states provide their preference for how the application should be submitted. The following provides instructions for filing hard-copy and electronic filings.

**Hard-Copy**

To facilitate the prompt review of the Corporate Amendment Application, please ensure that the application adheres to the formatting instructions provided in this section. The states will not accept filing applications that fail to meet these formatting requirements.

1. Communication Between Applicant Company and Agency
2. Questions
3. Application Checklist
4. Application and Supporting Documents
5. Addresses for Submission of Application
6. Updates/Changes
7. Filing Fee
8. Forms
9. State-Specific Information

1. **Communication Between Applicant Company and Agency**

   Once a state accepts a Corporate Amendment Application for filing, the state will notify the Applicant Company of the official filing date and agency contact person. The state will provide the names, addresses, email (if available) and telephone numbers of the individual(s) assigned to the application.

   Before receiving the name of the agency contact person, an Applicant Company may contact the agency personnel listed on the [Addresses and Contact Information for Submission of Application](#) chart to obtain information regarding the status of a Corporate Amendment Application.

2. **Questions**

   Section I through Section XII, Filing Requirements, provide detailed guidelines regarding both the type and format of information required for the Corporate Amendment Application. For additional information, or clarification, the Applicant Company should review the [State Requirement charts](#) and FAQs prior to contacting the state.

3. **Application Checklist**
The Application Checklist (Form 1C) in the Forms section of the UCAA website is a guide for assembling a complete application. Complete the Checklist prior to submitting a Corporate Amendment Application for review. Attach a completed Checklist to the top of the application. For electronic filings, the Checklist is completed as the Applicant Company completes the required information. The Checklist cannot be edited, and the application cannot be submitted until all required information is completed.

4. **Application and Supporting Documents**

Submit one copy of the Checklist, completed application and all supporting documentation to the reviewing state. Each item identified in Section I through Section XII of the Filing Requirements should have a cover sheet as specified below.

Each cover sheet should be on paper suitable for use as a cover sheet, such as binder divider pages.

Tab each cover sheet on the right-hand side of the page with a number corresponding to the document’s Item number in the Corporate Amendment Application Checklist.

If a particular item is not included with the cover sheet, attach a written explanation stating the reason the item has not been included to the cover sheet. Below are examples of why the Applicant Company may not attach a particular item to the cover sheet.

- “Item not applicable to this application for the following reason ... (state reason)”
- “Item has been attached separately because of size.”

For electronic submissions, all applicable forms are prepared prior to submission. If applying to states that accept electronic and/or prefer hard-copy, print completed forms from the View/Print/Download link and submit those forms to the states as hard-copy applications.

5. **Addresses for Submission of Application**

Submit the application by mailing it to the appropriate address noted in the Addresses and Contact Information for Submission of Application chart.

6. **Updates/Changes**

The Applicant Company is responsible for informing states of any significant changes that occur or that the Applicant Company discovers during the application review period. Examples of significant changes include: changes in officers and directors, material acquisition or disposal of assets, changes in reinsurance, acquisition of the insurer, regulatory actions taken against the insurer, change in current business plan, etc.

The Applicant Company must supply revised forms promptly if any changes occur which materially affect the accuracy of the forms filed in support of the application. For electronic filings, the updated attachments can be submitted via the UCAA email or the application can be amended. Refer to the Electronic Application User Guide for Corporate Amendment Applications.
7. **Filing Fee**

Please see [Filing Fees - Corporate Amendments chart](#) and [Filing Fees Matrix - Corporate Amendments chart](#), located on the UCAA website, to determine the correct fee and filing instructions for the application state. For electronic filings, checks will need to be mailed directly to the application state. Include a copy of the completed Checklist for reference to the electronic application tracking number. Please note that due to *[retaliatory statutes](#)*, the ultimate amount of fees in any state may be more than the amount indicated in the chart.

8. **Forms**

All forms are located on the [UCAA website](#). For electronic filings, all required forms are automatically prepared as the required information is entered.

9. **State-Specific Information**

Some jurisdictions may have additional requirements that the Applicant Company must meet before the state can issue an amended Certificate of Authority. Before completing a UCAA Corporate Amendment Application the Applicant Company should review a listing of requirements for the application state located under [State-Specific Requirements](#) on the UCAA website.

**Electronic Submission**

To initiate an electronic filing, the Applicant Company must first obtain a User ID and password. The individual completing the application on behalf of the Applicant Company must obtain approval from either the Corporate Secretary or General Counsel of the Applicant Company.

A [User Guide](#) is provided as a step by step guide for utilizing the electronic application.

The UCAA Corporate Amendment Application has twelve change types (sections) designed to guide the Applicant Company through the licensing process. Each section and filing requirement item is noted on the Application Checklist (Form 1C);

- I. Adding and/or Deleting Lines of Business Filing Requirements
- II. Name Change Filing Requirements
- III. Redomestication of a Foreign Insurer Filing Requirements
- IV. Change of Statutory Home Office Address Filing Requirements
- V. Merger of Two or More Foreign Insurers
- VI. Proposed/Completed Change of Control of Foreign Insurers
- VII. Amended Articles of Incorporation
- VIII. Amended Bylaws
- IX. Change of Address/Contact Notification Filing Requirement
- X. Statement of Withdrawal/Complete Surrender of Certificate of Authority Application
- XI. Voluntary Dissolution
- XII. Amended Uniform Consent to Service of Process
Corporate Amendments Application Section I
Filing Requirements (Adding and/or Deleting Lines of Business)

This section provides a guide to understanding the focus of each document of the Corporate Amendment Application. However, there typically are multiple purposes for documents. Therefore, it is important that applications be complete.

All documents submitted in support of the application must be current. However, in certain instances, some states have limited latitude to accept older documents. Please review the state specific requirements in the state charts and state-specific requirements prior to contacting the states individually if there are questions about a specific document.

All forms required for the Corporate Amendment Application are located under the Corporate Amendment Application tab in the UCAA Forms Section. For electronic application submissions, required forms are provided for the application change type selected, therefore it is important to read the instructions prior to starting an electronic filing to ensure the necessary corporate amendment change type is selected and the appropriate forms are provided.

Table of Contents/ Application Requirements

1. Application Form and Attachments
2. Filing Fee
3. Articles of Incorporation
4. Bylaws
5. Minimum Capital and Surplus Requirements
6. Statutory Deposit Requirements
7. Plan of Operation
8. Statutory Membership(s)
9. Certificate of Compliance
10. State-Specific Information
11. Deleting Lines of Business

1. Application Form and Attachments - Item 1 of the application

The application must identify all lines of insurance that the Applicant Company is currently authorized to transact and specify the lines of authority to add or delete from an existing Certificate of Authority, as identified in the plan of operation. The Applicant Company must be authorized in their domiciliary state for the lines of business requested to add in the application. The Applicant Company should review the Seasoning Requirements chart for each submission state. For hard-copy filings submit a completed Checklist (Form 1C), and an original executed Application Form (Form 2C), completed Lines of Business (Form 3) and a copy of the Applicant Company’s original Certificate of Authority or an affidavit of lost Certificate of Authority (Form 15) as Item 1 of the application. A cover letter may be included. The Checklist is automatically created in the electronic application and cannot be edited.

2. Filing Fee - Item 2 of the application

The application must include a filing fee for the application state, unless specified that the state prefers to send an invoice. The payee name and the instructions for submitting the filing fee are
included in the [Filing Fees - Corporate Amendments](#) chart. Submit/upload a copy of the Applicant Company’s check. For electronic filings, checks will need to be mailed directly to the application state. Include a copy of the completed Checklist for reference to the electronic application tracking number. Please note that due to [retaliatory statutes](#), the ultimate amount of fees in any state may be more than the amount indicated in the chart.

3. **Articles of Incorporation** - Item 3 of the application

Indicate the location of the language within the Articles of Incorporation that allows the Applicant Company to write this line (e.g., page number, section number, etc., of the Articles of Incorporation). In addition:

- If the Articles of Incorporation have changed because of this application, file the amended Articles of Incorporation.
- If the Articles of Incorporation most recently filed in the application state have not changed because of this application, do not file the Articles of Incorporation. Simply state that the current Articles of Incorporation are already on file in the application state.

4. **Bylaws** - Item 4 of the application

The Applicant Company should have previously filed the most current version of their bylaws.

- If the bylaws have changed because of this application, file the amended bylaws.
- If the bylaws most recently filed in the application state have not changed because of this application, do not file the bylaws. Simply state that the current bylaws are already on file in the application state.

5. **Minimum Capital and Surplus Requirements** - Item 5 of the application

The application will need to show that the Applicant Company meets the state’s statutory minimum capital and surplus requirements for the requested amendment to its Certificate of Authority. In some states, the minimum capital and surplus requirements are determined by the classes of insurance that the Applicant Company is requesting authority to transact and the classes of insurance the Applicant Company is authorized to transact in all other jurisdictions. The state will determine the level of surplus required after considering the Applicant Company’s product line, operating record and financial condition. Compliance with the statutorily prescribed minimum surplus requirement may not be sufficient for all Applicant Companies. The [Minimum Capital and Surplus Requirements](#) chart identifies the minimum capital and surplus requirements for each Uniform State. This chart also provides a contact person or a link to a state-specific format or RBC requirements and instructions. Submit an explanation of the Applicant Company’s compliance with the capital and surplus requirements.

6. **Statutory Deposit Requirements** - Item 6 of the application

A Statutory Deposit may be required for the requested modification. The [Statutory Deposit Requirements](#) chart provides state-specific requirements and identifies those states that require a Statutory Deposit. Unless otherwise indicated the Statutory Deposit is for the benefit of all policyholders. Please refer to the [Certificate of Compliance and Certificate of Deposit](#).
Requirements chart for specific requirements for the date of issuance of the Certificate of Deposit (Form 7) from the date of the application. The Applicant Company should submit the Certificate of Deposit (Form 7) prepared by the state of domicile. For electronic submissions the domiciliary state can complete the certificates or upload them into the electronic filing. This step must be done in order to check this item on the electronic application Checklist.

7. **Plan of Operation** - Item 7 of the application

The Plan of Operation has three components, a brief narrative, proforma financial statements/projections (Form 13) and a completed Questionnaire (Form 8C). The narrative should include significant information not captured as a part of the Questionnaire that the Applicant Company submits in support of the application. The proforma is one of three (3) components in the Plan of Operation. The forms are located under the Corporate Amendment tab. There is a proforma for Life, Property/Casualty, Health and Title companies. Provide a company-wide, three-year proforma balance sheet and income statement. The proforma workbook should be the same business type as the financial statement blank filed with the NAIC. For the lines requested, provide three-year premium and loss projections by line of business for the application state. Projections must support all aspects of the proposed Plan of Operation, including reinsurance arrangements and any delegated function agreements. Include the assumptions used to arrive at these projections.

The proforma when applied to the Corporate Amendment application is projected data. As such, the projected amounts need not balance with historical NAIC financial filings. The projected data, however, should be relevant to the Company’s history of growth and losses as contemplated by the NAIC Accounting Practices and Procedures Manual.

The proforma should be completed by statutory accounting and financial reporting professionals that should be available to answer any questions or concerns from reviewing regulatory staff. The proforma is completed on an annual basis, typically for a three-year time period, however, some state may require five years. The proforma balance sheet should also include the authorized control level amount to calculate the Risk-Based Capital ratio for each projected year. The proforma should start with the first full year of operation that the Applicant Company anticipates actively writing business in the state(s) receiving the application. When preparing a five-year projection, two proforma excel workbooks can be submitted.

The proforma (Form 13) is located in the Forms Section under each application tab on the UCAA website. Submit the narrative and completed proforma and all attachments.

8. **Statutory Memberships** - Item 8 of the application

In some states, the Applicant Company is required to join one or more rating, guarantee or other organizations before transacting insurance. Generally, the Applicant Company’s authorized lines of insurance govern statutorily mandated memberships. The Statutory Membership Requirements chart provides the list of statutory memberships that may be required before transacting insurance. Submit documentation supporting membership application(s), in states where required.
9. **Certificate of Compliance** - Item 9 of the application

Include a Certificate of Compliance with the application. Please refer to the Certificate of Compliance and Certificate of Deposit Requirements chart for specific requirements for the date of issuance of the Certificate of Compliance (Form 6) from the file date of the application. The current domiciliary state must complete the Certificate. The domiciliary state can complete or upload the certificate in the electronic filing.

10. **State-Specific Information** - Item 10 of the application

Some jurisdictions may have additional requirements that the Applicant Company must meet before the state can amend a Certificate of Authority. Before completing a UCAA Corporate Amendment Application, the Applicant Company should review the listing of requirements on the State-Specific requirements for the state to which the Applicant Company is applying.

11. **Deleting Lines of Business** - Item 11 of the application

Complete Section II of Form 8C (questions 22–25) documenting the following:

a. Utilizing the information contained in Form 3, list all of the lines of business that the Applicant Company is requesting to delete from its Certificate of Authority.

b. Provide a detailed explanation for the Applicant Company’s request to delete these lines of business.

c. For each state, indicate the number of policyholders by line of business that will be non-renewed or cancelled if the state approves the Applicant Company’s request to delete lines of business.

The UCCA website contains a Deleting Lines of Business Requirements chart of individual state requirements. Provide documentation that complies with all requirements for removal of lines of business from the Certificate of Authority. The Applicant Company should notify the foreign state(s) if a line of business has been requested to be deleted from their domiciliary state’s certificate of authority.

**Corporate Amendments Application Section II**

**Filing Requirements (Name Change)**

This section provides a guide to understanding the focus of each document of the Corporate Amendment Application. However, documents typically serve multiple purposes. Therefore, it is important that applications be complete.

**All documents submitted in support of the application must be current. However, in certain instances, some states have limited latitude to accept older documents. Please review the instructions, state charts and FAQs before contacting the states individually if there are questions about a specific document.**

All forms required for the Corporate Amendment Application are located under the Corporate Amendment Application tab in the UCAA Forms Section.
Table of Contents/ Application Requirements

1. Application Form and Attachments
2. Filing Fee
3. Articles of Incorporation
4. Bylaws
5. Service of Process
6. State of Domicile Approval
7. State-Specific Information
8. Name Approval

1. Application Form and Attachments - Item 1 of the application

   For hard-copy filings the Applicant Company must submit a completed Checklist (Form 1C), an original executed Application Form (Form 2C) and the Applicant Company’s original Certificate of Authority or an Affidavit of Lost Certificate of Authority (Form 15). A cover letter may be included. The Checklist is automatically created in the electronic application.

2. Filing Fee - Item 2 of the application

   Include a filing fee for each application state, unless specified that the state prefers to send an invoice. The payee name and the instructions for submitting the filing fee are included in the Filing Fees - Corporate Amendments chart. Submit a copy of the Applicant Company’s check. For electronic filings, checks will need to be mailed directly to the application state. Include a copy of the completed Checklist for reference to the electronic application tracking number. Please note that due to retaliatory statutes, the ultimate amount of fees in any state may be more than the amount indicated in the chart.

3. Articles of Incorporation - Item 3 of the application

   Indicate the location of the language within the Articles of Incorporation that reflects the new name (e.g., page number, section number, etc., of the Articles of Incorporation). In addition:
   
   • If the Articles of Incorporation have changed because of this application, file the amended Articles of Incorporation.
   • If the Articles of Incorporation most recently filed in the application state have not changed because of this application, do not file the Articles of Incorporation. Simply state that the current Articles of Incorporation are already on file in the application state.

4. Bylaws - Item 4 of the application

   The Applicant Company should have previously filed the most current version of their bylaws.
   
   • If the bylaws have changed because of this application, file the amended bylaws.
   • If the bylaws most recently filed in the application state have not changed because of this application, do not file the bylaws. Simply state that the current bylaws are already on file in the application state.
5. **Service of Process** - Item 5 of the application

Include one original fully executed UCAA Service of Process (Form 12) or see state-specific requirements.

6. **State of Domicile Approval (Foreign Insurers Only)** - Item 6 of the application

Provide a copy of the name change approval from the Applicant Company’s state of domicile.

7. **State-Specific Information** - Item 7 of the application

Some jurisdictions may have additional requirements that the Applicant Company must meet before the state can amend a Certificate of Authority. Before completing a UCAA Corporate Amendment Application, the Applicant Company should review a listing of requirements for the state to which the Applicant Company is applying. State-specific requirements are located on the UCAA website.

8. **Name Approval** - Item 8 of the application

Each state has different guidelines and procedures for name approval. The Name Approval Requirements chart is intended to serve as a guide for the various name approval requirements of each Uniform State. The Applicant Company should check with each state separately to ensure compliance with all applicable name approval requirements. Where applicable, submit evidence of the name approval request.

The Applicant Company must notify the NAIC once the domiciliary state approves the name change prior to preparation of the electronic application. Email approval to: jheinz@naic.org.

**Corporate Amendments Application Section III**

**Filing Requirements (Redomestication of a Foreign Insurer)**

This section provides a guide to understanding the focus of each document of the Corporate Amendment Application. However, documents typically serve multiple purposes. Therefore, it is important that applications be complete.

**All documents submitted in support of the application must be current. However, in certain instances, some states have limited latitude to accept older documents. Please review the instructions, charts and FAQs prior to contacting the states individually if there are questions about a specific document.**

All forms required for the Corporate Amendment Application are located under the Corporate Amendment Application tab in the UCAA Forms Section.

**Table of Contents/ Filing Requirements**

1. Application Form and Attachments
2. Filing Fee
3. Articles of Incorporation
4. Bylaws
5. **Statutory Deposit Requirements**

6. **Service of Process**

7. **State of Domicile Approval (Foreign Insurers Only)**

8. **State-Specific Information**

1. **Application Form and Attachments** - Item 1 of the application

   For hard-copy filings submit a completed Checklist (Form 1C), and an original executed Application (Form 2C) and the Applicant Company’s original Certificate of Authority or an Affidavit of Lost Certificate of Authority (Form 15) as Item 1 of the application. A cover letter may be included. The Checklist is automatically created in the electronic application.

2. **Filing Fee** - Item 2 of the application

   Include a filing fee for each application state. The payee name and the instructions for submitting the filing fee are included in the [Filing Fees - Corporate Amendments](#) chart. Submit a copy of the Applicant Company’s check. For electronic filings, checks will need to be mailed directly to the application state. Include a copy of the completed Checklist for reference to the electronic application tracking number. Please note that due to [retaliatory statutes](#), the ultimate amount of fees in any state may be more than the amount indicated in the chart.

3. **Articles of Incorporation** - Item 3 of the application

   Indicate the location of the language within the Articles of Incorporation that reflects the redomestication (e.g., page number, section number, etc., of the Articles of Incorporation). In addition:

   - If the Articles of Incorporation have changed because of this application, file the amended Articles of Incorporation.
   - If the Articles of Incorporation most recently filed in the application state have not changed because of this application, do not file the Articles of Incorporation. Simply state that the current Articles of Incorporation are already on file in the application state.

4. **Bylaws** - Item 4 of the application

   The Applicant Company should have previously filed the most current version of their bylaws.

   - If the bylaws have changed because of this application, file the amended bylaws.
   - If the bylaws most recently filed in the application state have not changed because of this application, do not file the bylaws. Simply state that the current bylaws are already on file in the application state.

5. **Statutory Deposit Requirements** - Item 5 of the application

   A Statutory Deposit may be required for the requested modification. The [Statutory Deposit Requirements](#) chart provides state-specific requirements and identifies those states that require a Statutory Deposit. Unless otherwise indicated the Statutory Deposit is for the benefit of all policyholders. Please refer to the [Certificate of Compliance and Certificate of Deposit](#).
**Requirements** chart for specific requirements for the date of issuance of the Certificate of Deposit (Form 7) from the file date of the application. The Applicant Company should submit the Certificate of Deposit (Form 7) prepared by its state of domicile. For electronic submissions, the domiciliary state should complete or upload the certificates in the electronic filing to complete the electronic Checklist.

6. **Service of Process** - Item 6 of the application

Include one original fully executed UCAA Service of Process form (Form 12) or state-specific requirements.

7. **State of Domicile Approval** - Item 7 of the application

Provide a copy of the redomestication approval from the Applicant Company’s state of domicile. The Applicant Company must notify the NAIC once the domiciliary state approves the redomestication prior to preparation of the electronic application. Email approval to: jheinz@naic.org.

8. **State-Specific Information** - Item 8 of the application

Some jurisdictions may have additional requirements that the Applicant Company must meet before the state can amend a Certificate of Authority. Before completing a UCAA Corporate Amendment Application, the Applicant Company should review the State-Specific Requirements for the application state.

Corporate Amendments Application Section IV

Filing Requirements (Change of Statutory Home Office Address)

This section provides a guide to understanding the focus of each document of the Corporate Amendment Application. However, documents typically serve multiple purposes. Therefore, it is important that applications be complete.

All documents submitted in support of the application must be current. However, in certain instances, some states have limited latitude to accept older documents. Please review the instructions, state charts and FAQs prior to contacting the states individually if there are questions about a specific document.

All forms required for the Corporate Amendment Application are located under the Corporate Amendment Application tab in the UCAA Forms Section.

**Table of Contents/ Filing Requirements**

1. Application Form and Attachments
2. Filing Fee
3. Articles of Incorporation
4. Bylaws
5. Service of Process
6. State of Domicile Approval (Foreign Insurers Only)
7. State-Specific Information
1. **Application Form and Attachments** - Item 1 of the application

   For hard-copy filings the Applicant Company must submit a completed Checklist ([Form 1C](#)), and an original executed Application ([Form 2C](#)) and the Applicant Company’s original Certificate of Authority or an Affidavit of Lost Certificate of Authority ([Form 15](#)), if required as Item 1 of the application. A cover letter may be included. The Checklist is automatically created for electronic filings.

2. **Filing Fee** - Item 2 of the application.

   The application will need to include a filing fee for the application state. The payee name and the instructions for submitting the filing fee are included in the [Filing Fees - Corporate Amendments](#) chart. Submit a copy of the Applicant Company’s check. For electronic filings, checks will need to be mailed directly to the application state. Include a copy of the completed Checklist for reference to the electronic application tracking number. Please note that due to retaliatory statutes, the ultimate amount of fees in any state may be more than the amount indicated in the chart.

3. **Articles of Incorporation** - Item 3 of the application

   Indicate the location of the language within the Articles of Incorporation that reflects the change of statutory home office address (e.g., page number, section number, etc., of the Articles of Incorporation). In addition:

   - If the Articles of Incorporation have changed because of this application, file the amended Articles of Incorporation.
   - If the Articles of Incorporation most recently filed in the application state have not changed because of this application, do not file the Articles of Incorporation. Simply state that the current Articles of Incorporation are already on file in the application state.

4. **Bylaws** - Item 4 of the application

   The Applicant Company should have previously filed the most current version of their bylaws.

   - If the bylaws have changed because of this application, file the amended bylaws.
   - If the bylaws most recently filed in the application state have not changed because of this application, do not file the bylaws. Simply state that the current bylaws are already on file in the application state.

5. **Service of Process** - Item 5 of the application

   Include one original fully executed UCAA Service of Process form ([Form 12](#)) or [State-Specific Requirements](#).

6. **State of Domicile Approval (Foreign Insurers Only)** - Item 6 of the application

   Provide a copy of the approval from the Applicant Company’s state of domicile.
7. **State-Specific Information** - Item 7 of the application

Some jurisdictions may have **State-Specific Requirements** that the Applicant Company must meet before the state can amend a Certificate of Authority. Before completing a UCAA Corporate Amendment Application, the Applicant Company should review a listing of requirements for the application state. Attach a completed Form 14, if contact address information has changed because of this application.

**Corporate Amendments Application Section V**

**Filing Requirements (Merger of Two or More Foreign Insurers)**

This section provides a guide to understanding the focus of each document of the Corporate Amendment Application. However, documents typically serve multiple purposes. Therefore, it is important that applications be complete.

**All documents submitted in support of the application must be current. However, in certain instances, some states have limited latitude to accept older documents. Please review the instructions, charts and FAQs prior to contacting the states individually if there are questions about a specific document.**

Please read the following Instructions before proceeding in completing Corporate Amendment Application Section V. Section V may not be applicable.

**Instructions**

The Corporate Amendment Application Section V is for notifying the states that a merger involving one or more licensed companies is taking place. Section V provides for submission of the information on the surviving Applicant Company that changed due to the merger and the surrender of any certificates of authority for non-surviving companies if applicable. Section V is not applicable for filing in a state if either insurer involved in the merger is a domestic insurer in that state. If an insurer that is party to the merger has a license in California, then do not submit a UCAA Corporate Amendment Section V to California, as it has a state application for prior consent of a merger involving a licensed insurer.

For each admitted state for any one of the merging companies, please proceed through the steps given below to determine the appropriate filing for the situation in each state. The steps may result in one Corporate Amendment filing going to several states to report the merger and a Corporate Amendment filing to add lines of business if the surviving entity is not currently authorized to transact a line of business absorbed by the non-surviving entity. That filing would include corporate documents that changed due to the merger, if any, and surrender of the non-surviving company’s Certificate of Authority if applicable. In some cases, the Applicant Company may need to submit the UCAA expansion application to some states to obtain a license that allows the surviving insurance company to operate, review the Seasoning Requirements chart for those states.

**Step One:**

**For each state consider the following:**

1. Is the surviving insurer licensed as a foreign insurer in the state?
2. Is the non-surviving insurer licensed as a foreign insurer in the state?
If the answer to both questions is “yes,” then proceed to Step Two.

If the answer to both questions is “no,” then no filing in the state is required. Do not complete the UCAA Corporate Amendment Application. In order to conduct business in the state post-merger, the surviving insurer will need to complete the UCAA Expansion Application located on the UCAA website.

If the answer to question one is “yes” and the answer to question two is “no,” then go to Step Two. If the answer to question one is “no” the surviving insurer is not currently authorized as a foreign insurer in the state, then go to Step Three.

**Step Two:**

For the authorized surviving Applicant Company:

1. Are the authorized lines of business aligned for the merged companies?

2. Is the surviving Applicant Company currently authorized to write all of these lines of business, including variable products, in the state, formerly conducted by the non-survivor?

If the answer to questions 1 and 2 is “yes,” then complete Section V of the UCAA Corporate Amendment Application.

If the answer to either question is “no,” then review and complete both Section V and Section I of the UCAA Corporate Amendment Application located on the UCAA website to add those lines that the Surviving Applicant Company is not currently authorized to transact in the state. For additional guidance please refer to the UCAA FAQs – General.

**Step Three:**

If the instructions directed the Applicant Company to this step, then the surviving Applicant Company is not currently authorized to conduct business in the state. In order to conduct business in the state, the surviving Applicant Company must complete the UCAA Expansion Application and request authorization for all lines it will be transacting in the state, post-merger. For further information and clarification, review the Seasoning Requirements chart prior to contacting the individual listed as the expansion application contact on the Address and Contact Information chart.

**Table of Contents/ Filing Requirements**

1. Application Form and Attachments
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5. Minimum Capital and Surplus Requirements
6. Statutory Deposit Requirements
7. Plan of Operation
8. Statutory Membership(s)
9. NAIC Biographical Affidavits
10. **Service of Process**
11. **State of Domicile Approval**
12. **State-Specific Information**

1. **Application Form and Attachments** - Item 1 of the application

   For hard-copy filings the Applicant Company must submit a completed Checklist (Form 1C), an original executed Application (Form 2C) and the Applicant Company’s original Certificate of Authority or an Affidavit of Lost Certificate of Authority (Form 15) as Item 1 of the application. A cover letter may be included. For electronic submissions the Checklist is completed automatically.

2. **Filing Fee** - Item 2 of the application

   The application will need to include a filing fee for the state to which the Applicant Company is submitting. The payee name and the instructions for submitting the filing fee are included in the Filing Fees - Corporate Amendments chart. Include a copy of the Applicant Company’s check. For electronic filings, checks will need to be mailed directly to the application state. Include a copy of the completed Checklist for reference to the electronic application tracking number. Please note that due to retaliatory statutes, the ultimate amount of fees in any state may be more than the amount indicated in the chart.

3. **Articles of Incorporation /Articles of Merger** - Item 3 of the application

   Indicate the location of the language within the Articles of Incorporation of the surviving Applicant Company that reflects the merger (e.g., page number, section number, etc., of the Articles of Incorporation). In addition:

   - If the Articles have changed because of this application, then file the amended Articles of Incorporation.
   - If the Articles of Incorporation most recently filed in the application state have not changed because of this application, then do not file the Articles of Incorporation. Simply state that the current Articles of Incorporation are already on file in the application state.

4. **Bylaws** - Item 4 of the application

   The surviving Applicant Company should have previously filed the most current version of their bylaws.

   - If the bylaws have changed because of this application, then file the amended bylaws.
   - If the bylaws most recently filed in the application state have not changed because of this application, then do not file the bylaws. Simply state that the current bylaws are already on file in the application state.

5. **Minimum Capital and Surplus Requirements** - Item 5 of the application

   The application will need to show that subsequent to the merger, the Applicant Company meets the state’s statutory minimum capital and surplus requirements for the requested amendment to
its Certificate of Authority. Submit an explanation of how the Applicant Company complies with the capital and surplus requirements. In some states, the minimum capital and surplus requirements are determined by the classes of insurance that the Applicant Company is requesting authority to transact and the classes of insurance the Applicant Company is authorized to transact in all other jurisdictions. The level of surplus required will be determined after considering the Applicant Company’s product line, operating record and financial condition. Compliance with the statutorily prescribed minimum surplus requirement may not be sufficient for all Applicant Companies. The Minimum Capital and Surplus Requirements chart identifies the minimum capital and surplus requirements for each Uniform State. This chart also provides a contact person or a link to a state-specific format or RBC requirements and instructions.

6. Statutory Deposit Requirements - Item 6 of the application

A Statutory Deposit may be required for the requested Corporate Amendment. The Statutory Deposit Requirements chart provides state-specific requirements and identifies those states that require a Statutory Deposit. Unless otherwise indicated the Statutory Deposit is for the benefit of all policyholders. Please refer to the Certificate of Compliance and Certificate of Deposit Requirements chart for specific requirements for the date of issuance of the Certificate of Deposit (Form 7) from the file date of the application. The Applicant Company should submit the Certificate of Deposit (Form 7) prepared by its state of domicile. For electronic submission, the domiciliary state may complete or upload the certificates directly in the electronic filing to complete the application Checklist.

7. Plan of Operation - Item 7 of the application

If the business plan of the surviving Applicant Company will change because of the merger, submit a Plan of Operation; otherwise, a statement that the business plan will not change will suffice. The Plan of Operation for a merger application contains two components, a brief narrative and pro forma financial statements/projections (Form 13). The narrative should include significant information in support of the application. Projections must support all aspects of the proposed plan of operation, including reinsurance arrangements and any delegated function agreements. Include the assumptions used to arrive at these projections. The proforma is one of two (2) components in the Plan of Operation for a Corporate Amendment merger of two or more foreign insurers application. The forms are located under the Corporate Amendment tab. There is a pro forma for life, property/casualty, health and title companies. Provide a company-wide, three-year pro forma balance sheet and income statement. The proforma workbook should be the same business type as the financial statement blank filed with the NAIC. For the lines requested, provide three-year premium and loss projections by line of business for the application state. Projections must support all aspects of the proposed Plan of Operation, including reinsurance arrangements and any delegated function agreements. Include the assumptions used to arrive at these projections.

The proforma when applied to the Corporate Amendment application is projected data. As such, the projected amounts need not balance with historical NAIC financial filings. The projected data, however, should be relevant to the Company’s history of growth and losses as contemplated by the NAIC Accounting Practices and Procedures Manual. The proforma balance sheet should also include the authorized control level amount to calculate the Risk-Based Capital ratio for each projected year.
The proforma should be completed by statutory accounting and financial reporting professionals that should be available to answer any questions or concerns from reviewing regulatory staff. The proforma is completed on an annual basis, typically for a three-year time period, however, some state may require five years. The proforma balance sheet should also include the authorized control level amount to calculate the Risk-Based Capital ratio for each projected year. The proforma should start with the first full year of operations that the Applicant Company anticipates actively writing business in the state(s) receiving the application. When preparing a five-year projection, two proforma excel workbooks can be submitted.

The proforma (Form 13) is located in the Forms Section under each application tab on the UCAA website. Submit the narrative and completed proforma and all attachments.

8. **Statutory Memberships** - Item 8 of the application

In some states, the Applicant Company is required to join one or more rating, guaranty or other organizations before transacting insurance. Generally, the Applicant Company’s authorized lines of insurance govern statutorily mandated memberships. The **Statutory Membership Requirements** chart provides a list of statutory memberships that may be required before transacting business. Submit documentation supporting membership application(s), in states where required.

9. **NAIC Biographical Affidavits** - Item 9 of the application

A. The Applicant Company is required to submit an NAIC Biographical Affidavit (**Form 11**) in connection with pending or future application(s) for licensure or a permit to organize with a department of insurance in one or more states. The Applicant Company must submit an NAIC Biographical Affidavit on behalf of all officers, directors and key managerial personnel of the Applicant Company and individuals with a ten percent (10%), or more, beneficial ownership in the Applicant Company or the Applicant Company’s ultimate controlling person (Affiant), if the information currently on file with the regulator is not current. Individuals with ten percent (10%) or more beneficial ownership in the Applicant Company or Applicant Company’s ultimate controlling person who do not file a biographical affidavit should file a copy of the Disclaimer of Control and approval from the domiciliary regulator.

B. The UCAA defines “Independent Third-Party” as:

   (i) A consumer reporting agency (“CRA”) overseen by the Federal Trade Commission (“FTC”) and, therefore, subject to the FCRA, which have been vetted and is currently on the approved list;

   (ii) Has the ability to perform international background investigations; and

   (iii) One whose officers and directors have no material affiliation with the Applicant Company other than stock ownership amounting to less than one percent (1%) of total stock outstanding, unless prior approval is given by the department of insurance to which application is being made.

C. The NAIC Biographical Affidavit requests information with respect to the Affiant’s employment history, education, personal information and character. The NAIC Biographical Affidavit also includes the Disclosure and Authorization Concerning
Background Reports (the “Disclosure & Authorization Form”). The signature of the Affiant on the Disclosure & Authorization Form permits an Independent Third-Vendor to conduct an independent third-party verification on the Affiant.

D. The NAIC Biographical Affidavit includes three types of the Disclosure & Authorization Forms. There are three different Disclosure & Authorization Forms since certain state laws, regulations and rules require different kinds of disclosures and wording within such form. An Affiant must sign the corresponding Disclosure & Authorization Form(s) for the respective state(s) where the Affiant has lived or worked within the last ten (10) years. Refer to the Disclosure & Authorization Forms for further information.

E. The NAIC Biographical Affidavit is used to evaluate the suitability, competency, character and integrity of the Affiant in connection with an Applicant Company’s pending or future application(s) for licensure or a permit to organize with a department of insurance in one or more states.

The Independent Third-Party uses information contained in the NAIC Biographical Affidavit as a tool to perform an independent third-party verification to determine an individual’s fitness and propriety. The independent third-party verification may contain information bearing on the Affiant’s character, general reputation, personal characteristics, mode of living and credit standing (if required by the state). The Independent Third-Party Vendors shall use the independent third-party verification to create a background report (the “Background Report”).

F. The Disclosure & Authorization Form is valid for a maximum of six months. Additionally, an Affiant may revoke the authorization at any time by delivering a written revocation to the Applicant Company. Refer to the Disclosure & Authorization Form for further information.

G. The Background Reports are subject to the Fair Credit Reporting Act (“FCRA”). Pursuant to FCRA, the state departments of insurance and an Applicant Company who is seeking admission are “users” of consumer reports. The FCRA requires that the Applicant Company provide the Affiant with a copy of the “Summary of Your Rights Under the Fair Credit Reporting Act.” The Applicant Company should provide a copy of the “Summary of Your Rights under the Fair Credit Reporting Act” to each Affiant. This summary can be found at the Federal Trade Commission (FTC) website. Background Reports are valid for six months from the signature date of the affidavit. Any alteration to the original biographical affidavit or updated signature will require a newly prepared background report.

H. The Applicant Company and state departments of insurance are required to comply with FCRA, especially as it relates to confidentiality of the information contained in such consumer reports. To the extent required by law, the states and Third-Party Vendors should maintain the Background Reports procured under the Disclosure & Authorization Form as confidential. A copy of FCRA is located here.

I. The department of insurance in the state where the Applicant Company files, or intends to file and the Applicant Company may require the Background Report. An Affiant, who desires a copy of their Background Report, may request a copy from the Applicant
Company or the CRA as indicated on the Disclosure & Authorization Form. Refer to the Disclosure & Authorization Form for further information.

J. For those states that require additional background information, such as fingerprints, in place of or in addition to, NAIC Biographical Affidavits, please refer to the appropriate charts for fingerprints and processing fees information.

The list of currently approved Independent Third-Party Vendors for Background Reports is located on the UCAA homepage.

NAIC Biographical Affidavits must be completed on the most current form [Word | PDF], in effect at the time the affidavit was signed and the Affiant shall not sign the Affidavits more than six months before the date the Applicant Company files the application. Each question on the biographical affidavit must have a response. If an answer is “None”, then so state. Incomplete biographical affidavits could delay the background investigation report and result in a delay of the application review by the state.

Submit original Biographical Affidavits that contain the Disclosure & Authorization Form to the state department(s) of insurance.

10. Uniform Consent to Service of Process - Item 10 of the application

If the merger affects any of the information captured on the Uniform Consent to Service of Process and the Resolution Authorizing Appointment of Attorney (Form 12), submit one original fully executed Uniform Consent to Service of Process form or the appropriate state-specific form.

11. State of Domicile Approval - Item 11 of the application

Provide a copy of the approval from the Applicant Company’s state of domicile, including a copy of the Merger Agreement, and sample Assumption Certificate, if any.

The Applicant Company must notify the NAIC once the domiciliary state approves the merger prior to preparation of the electronic application. Email approval to: jheinz@naic.org.

12. State-Specific Information - Item 12 of the application

Some jurisdictions may have additional requirements that the Applicant Company must meet before the state can amend the Certificate of Authority. Before completing a UCAA Corporate Amendment Application, the Applicant Company should review a listing of State-Specific requirements for the application state.

Corporate Amendments Application Section VI
Filing Requirements (Proposed/Completed Change of Control of Foreign Insurers)

This section provides a guide to understanding the main focus of each document of the Corporate Amendment Application. However, documents are typically used for multiple purposes. Therefore, it is important that applications be complete.
All documents submitted in support of the application must be current. However, in certain instances, some states have limited latitude to accept older documents. Please contact the states individually if there are questions about a specific document.

All forms required for the Corporate Amendment Application are located under the Corporate Amendment Application tab in the UCAA Forms Section in the Forms section on the UCAA website.

Please read the following Instructions before in completing Corporate Amendment Application Section VI.

Instructions

The Corporate Amendment Application Section VI provides for submission of proposed change of control transaction information (proposed transaction) and a second filing of actual information after the change of control is complete (completed transaction). Section VI is not applicable for filing in a state if the insurer is a domestic insurer in that state.

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6. NAIC Biographical Affidavits
7. Uniform Consent to Service of Process
8. State of Domicile Approval
9. State-Specific Information

1. **Application Form and Attachments** - Item 1 of the application

   For hard-copy filings a completed Checklist (Form 1C), and an original executed application (Form 2C) must be submitted as Item 1 of the application for a proposed transaction and again for a completed transaction. Include the previous and new group code if applicable. All forms for the Corporate Amendment Application are located in the Forms section on the UCAA website. A cover letter may be included.

2. **Filing Fee** - Item 2 of the application

   The application may need to include a filing fee for the state to which the Applicant Company is submitting. The payee name and the instructions for submitting the filing fee are located in the Filing Fees - Corporate Amendments chart. Submit a copy of the Applicant Company’s check. For electronic filings, checks will need to be mailed directly to the application state. Include a copy of the completed Checklist for reference to the electronic application tracking number. Please note that due to retaliatory statutes, the ultimate amount of fees in any state may be more than the amount indicated in the chart.
3. **Articles of Incorporation** - Item 3 of the application

Indicate the location of the language within the Articles of Incorporation that reflects the change of city (e.g., page number, section number, etc., of the Articles of Incorporation). In addition:

- If the Articles of Incorporation have changed as a result of the change of control, file the amended Articles.
- If the Articles of Incorporation most recently filed in the application state have not changed because of this application, do not file the Articles of Incorporation. Simply state that the current articles are already on file in the application state.

4. **Bylaws** - Item 4 of the application

The Applicant Company should have previously filed the most current version of their bylaws.

- If the bylaws have changed because of this application, file the amended bylaws.
- If the bylaws most recently filed in the application state have not changed because of this application, do not file the bylaws. Simply state that the current bylaws are already on file in the application state.

5. **Plan of Operation** - Item 5 of the application

If the business plan of the Applicant Company will change as a result of the change of control transaction, a plan of operation must be submitted; otherwise, a statement that the business plan will not change will suffice. The plan of operation is made up of two components; a brief narrative and proforma financial statements/projections (Form 13). The narrative should include significant information in support of the application. The proforma is one of two (2) components in the Plan of Operation for a change of control of foreign insurer application. The forms are located on the UCAA website under the Corporate Amendment tab. There is a proforma for life, property/casualty, health and title companies. Provide a company-wide, three-year proforma balance sheet and income statement. The proforma workbook should be the same business type as the financial statement blank filed with the NAIC. For the lines of business requested, provide three-year premium and loss projections by line for the application state. Projections must support all aspects of the proposed Plan of Operation, including reinsurance arrangements and any delegated function agreements. Include the assumptions used to arrive at these projections.

The proforma when applied to the Corporate Amendment application is projected data. As such, the projected amounts need not balance with historical NAIC financial filings. The projected data, however, should be relevant to the Company’s history of growth and losses as contemplated by the NAIC *Accounting Practices and Procedures Manual*. The proforma balance sheet should also include the authorized control level amount to calculate the Risk-Based Capital ratio for each projected year.

The proforma should be completed by statutory accounting and financial reporting professionals that should be available to answer any questions or concerns from reviewing regulatory staff. The proforma is completed on an annual basis, typically for a three-year time period, however, some state may require five years. The proforma balance sheet should also include the authorized control level amount to calculate the Risk-Based Capital ratio for each projected year. The
proforma should start with the first full year of operations that the Applicant Company anticipates actively writing business in the state(s) receiving the application. When preparing a five-year projection, two proforma excel workbooks can be submitted.

The proforma (Form 13) is located in the Forms Section under each application tab on the UCAA website. Submit the narrative and completed proforma and all attachments.

6. **NAIC Biographical Affidavits** - Item 6 of the application

A. The Applicant Company is required to submit an NAIC Biographical Affidavit (Form 11) in connection with pending or future application(s) for licensure or a permit to organize with a department of insurance in one or more states. The Applicant Company must submit an NAIC Biographical Affidavit on behalf of all officers, directors and key managerial personnel of the Applicant Company and individuals with a ten percent (10%), or more, beneficial ownership in the Applicant Company or the Applicant Company’s ultimate controlling person (Affiant), if the information currently on file with the regulator is not current. Individuals with ten percent (10%) or more beneficial ownership in the Applicant Company or Applicant Company’s ultimate controlling person who do not file a biographical affidavit should file a copy of the Disclaimer of Control and approval from the domiciliary regulator.

B. The UCAA defines “Independent Third-Party” as:

(i) A consumer reporting agency (“CRA”) overseen by the Federal Trade Commission (“FTC”) and, therefore, subject to the FCRA, which have been vetted and is currently on the approved list;

(ii) Has the ability to perform international background investigations; and

(iii) One whose officers and directors have no material affiliation with the Applicant Company other than stock ownership amounting to less than one percent (1%) of total stock outstanding, unless prior approval is given by the department of insurance to which application is being made.

C. The NAIC Biographical Affidavit requests information with respect to your employment history, education, personal information and character. The NAIC Biographical Affidavit also includes the Disclosure and Authorization Concerning Background Reports (the “Disclosure & Authorization Form”). The signature of the Affiant on the Disclosure & Authorization Form permits an Independent Third-Party to conduct an independent third-party verification on the Affiant.

D. The NAIC Biographical Affidavit includes three types of the Disclosure & Authorization Form. There are three different Disclosure & Authorization Forms since certain state laws, regulations and rules require different kinds of disclosures and wording within such form. An Affiant must sign the corresponding Disclosure & Authorization Form(s) for the respective state(s) where the Affiant has lived or worked within the last ten (10) years. Refer to the Disclosure & Authorization Forms for further information.

E. The NAIC Biographical Affidavit is used to evaluate the suitability, competency, character and integrity of the Affiant in connection with an Applicant Company’s
pending or future application(s) for licensure or a permit to organize with a department of insurance in one or more states.

The Independent Third-Party uses information contained in the NAIC Biographical Affidavit as a tool to perform an independent third-party verification to determine an individual’s fitness and propriety. The independent third-party verification may contain information bearing on the Affiant’s character, general reputation, personal characteristics, mode of living and credit standing (if required by the state). The Independent Third-Party Vendors shall use the independent third-party verification to create a background report (the “Background Report”).

F. The Disclosure & Authorization Form is valid for a maximum of six months. Additionally, an Affiant may revoke the authorization at any time by delivering a written revocation to the Applicant Company. Refer to the Disclosure & Authorization Form for further information.

G. The Background Reports are subject to the Fair Credit Reporting Act (“FCRA”). Pursuant to FCRA, the state departments of insurance and an Applicant Company who is seeking admission are “users” of consumer reports. The FCRA requires that the Applicant Company provide the Affiant with a copy of the “Summary of Your Rights Under the Fair Credit Reporting Act.” The Applicant Company should provide a copy of the “Summary of Your Rights under the Fair Credit Reporting Act” to each Affiant. This summary can be found at the Federal Trade Commission (FTC) website. Background Reports are valid for six months from the signature date of the affidavit. Any alteration to the original biographical affidavit or updated signature will require a newly prepared background report.

H. The Applicant Company and state departments of insurance are required to comply with the FCRA, especially as it relates to confidentiality of the information contained in such consumer reports. To the extent required by law, the states and Independent Third-Party Vendors should maintain the Background Reports procured under the Disclosure & Authorization Form as confidential. A copy of the FCRA is located here.

I. The department of insurance in the state where the Applicant Company files, or intends to file, an application and the Applicant Company may require the Background Report. An Affiant who desires a copy of their Background Report may request a copy from the Applicant Company or the CRA as indicated on the Disclosure & Authorization Form. Refer to the Disclosure & Authorization Form for further information.

J. Please check state requirements for those states that require additional background information, such as fingerprints, in place of, or in addition to, NAIC Biographical Affidavits. If applying in one of those states, necessary fingerprints and processing fees should be included.

Refer to the UCAA website for a list of currently approved Independent Third-Party Vendors for Background Reports.

NAIC Biographical Affidavits must be completed on the most current form [Word | PDF], in effect at the time the affidavit was signed and the Affiant shall not sign the Affidavits more than
six months before the date the Applicant Company files the application. Each question on the biographical affidavit must have a response. If an answer is “None”, then so state. Incomplete biographical affidavits could delay the background investigation report and result in a delay of the application review by the state.

Submit original Biographical Affidavits that contain the Disclosure & Authorization Form to the state department(s) of insurance.

7. **Uniform Consent to Service of Process** - Item 7 of the application

If there are in effect changes to information captured on the Uniform Consent to Service of Process and the Resolution Authorizing Appointment of Attorney (Form 12), submit one original fully executed Uniform Consent to Service of Process form (Form 12) or the appropriate state-specific form for these states: California, Massachusetts, Virginia and Wisconsin. Pennsylvania does not accept Service of Process and does not require Form 12. Include as Item 7 of the proposed transaction or completed transaction application.

If the most recently filed (in the state in which application is being made) Uniform Consent to Service of Process form (Form 12) has not changed, do not file the form. Simply state that the current information is already on file in the state to which this application relates.

8. **State of Domicile Approval** - Item 8 of the application

Provide a copy of the approval from the Applicant Company’s state of domicile when the change of control is completed.

The Applicant Company must notify the NAIC once the domiciliary state approves the change of control prior to preparation of the electronic application. Email approval to: jheinz@naic.org.

9. **State-Specific Information** - Item 9 of the application

Some jurisdictions may have additional requirements that must be met before a proposed change of control can be completed. For example, some states require the filing of a Form E (Pre-Acquisition Notification Form Regarding the Potential Competitive Impact of a Proposed Merger or Acquisition by a Non-Domiciliary Insurer Doing Business in this State or by a Domestic Insurer) at least 30 days before the completion of a change of control transaction. In addition some states may require a Holding Company Act Form B amended statement after completion of the change of control transaction. Before completing a UCAA Corporate Amendment Application, the Applicant Company should review the listing of State-Specific Requirements for the application state.

**Corporate Amendments Application Section VII**

**Filing Requirements (Amended Articles of Incorporation)**

This section provides a guide to understanding the main focus of each document of the Corporate Amendment Application. However, documents are typically used for multiple purposes. Therefore, it is important that applications be complete.
This section is intended for submission of amended Articles of Incorporation that are not a result of changes addressed in other areas of the Corporate Amendment Application (e.g., change in number of shares or par value).

All documents submitted in support of the application must be current. However, in certain instances, some states have limited latitude to accept older documents. Please contact the states individually with questions about a specific document.

All forms required for the Corporate Amendment Application are located under the Corporate Amendment Application tab in the UCAA Forms Section in Forms section on the UCAA website.

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5. State of Domicile Approval
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1. Application Form and Attachments - Item 1 of the application

For hard-copy filings a completed Checklist (Form 1C), and an original executed application (Form 2C) must all be submitted as Item 1 of the application. All forms for the Corporate Amendment Application are located in the Forms section on the UCAA website. A cover letter may be included.

2. Filing Fee - Item 2 of the application

The application will need to include a filing fee for the state to which the Applicant Company is submitting. The payee name and the instructions for submitting the filing fee are included in the: Filing Fees - Corporate Amendments chart on the UCAA website. Submit a copy of the Applicant Company’s check. For electronic filings, checks will need to be mailed directly to the application state. Include a copy of the completed Checklist for reference to the electronic application tracking number. Please note that due to retaliatory statutes, the ultimate amount of fees in any state may be more than the amount indicated in the chart.

3. Articles of Incorporation - Item 3 of the application.

Indicate the location of the language within the Articles of Incorporation that reflects the change (e.g., page number, section number, etc., of the Articles of Incorporation).

4. Bylaws - Item 4 of the application

The Applicant Company should have previously filed the most current version of their bylaws.

• If the bylaws have changed as a result of this application, file the amended bylaws.
• If the most recently filed (in the state in which application is being made) bylaws have not changed as a result of this application, do not file the bylaws. Simply state that the current bylaws are already on file in the state to which this application relates.

5. **State of Domicile Approval (Foreign Insurers Only)** - Item 5 of the application

Provide a copy of the amended Articles of Incorporation approval from the Applicant Company’s state of domicile.

6. **State-Specific Information** - Item 6 of the application

Some jurisdictions may have additional requirements that must be met before a Certificate of Authority can be amended. Before completing a UCAA Corporate Amendment Application, the Applicant Company should review a listing of requirements for the state(s) in which application is being made.

**Corporate Amendments Application Section VIII**

**Filing Requirements (Amended Bylaws)**

This section provides a guide to understanding the main focus of each document of the Corporate Amendment Application. However, documents are typically used for multiple purposes. Therefore, it is important that applications be complete.

This section is intended for submission of amended bylaws that are not a result of changes addressed in other areas of the Corporate Amendment Application.

All documents submitted in support of the application must be current. However, in certain instances, some states have limited latitude to accept older documents. Please contact the states individually with questions about a specific document.

All forms required for the Corporate Amendment Application are located under the Corporate Amendment Application tab in the UCAA Forms Section on the UCAA website.

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1. **Application Form and Attachments**
2. **Filing Fee**
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5. **State-Specific Information**

1. **Application Form and Attachments** - Item 1 of the application.

For hard-copy filings a completed Checklist (Form 1C), and an original executed application (Form 2C) must all be submitted as Item 1 of the application. All forms for the Corporate Amendment Application are located in the Forms section on the UCAA website. A cover letter may be included.
2. **Filing Fee** - Item 2 of the application

The application will need to include a filing fee for the state to which the Applicant Company is submitting. The payee name and the instructions for submitting the filing fee are included in the [Filing Fees - Corporate Amendments](#) chart on the UCAA website. Submit a copy of the Applicant Company’s check. For electronic filings, checks will need to be mailed directly to the application state. Include a copy of the completed Checklist for reference to the electronic application tracking number. Please note that due to [retaliatory statutes](#), the ultimate amount of fees in any state may be more than the amount indicated in the chart.

3. **Bylaws** - Item 3 of the application

Indicate the location of the language within the bylaws that reflects the change (e.g., page number, section number, etc., of the bylaws).

4. **State of Domicile Approval (Foreign Insurers Only)** - Item 4 of the application

Provide a copy of the amended bylaws approval from the Applicant Company’s state of domicile.

5. **State-Specific Information** - Item 5 of the application

Some jurisdictions may have additional requirements that must be met before a Certificate of Authority can be amended. Before completing a UCAA Corporate Amendment Application, the Applicant Company should review a list of requirements for the state in which application is being made.

**The following applications are considered stand-alone applications.**

**Corporate Amendments Application Section IX**

**Filing Requirements (Change of Address/Contact Notification – Electronic Stand-Alone)**

This section provides a guide to understanding the focus of each document of the Corporate Amendment Application. However, documents typically serve multiple purposes. Therefore, it is important that applications be complete.

**All documents submitted in support of the application must be current. However, in certain instances, some states have limited latitude to accept older documents. Please review the instructions, state charts and FAQs prior to contacting the states individually if there are questions about a specific document.**

All forms required for the Corporate Amendment Application are located under the Corporate Amendment Application tab in the [UCAA Forms Section](#). All Forms are in Excel, Word or Adobe PDF file format.

Please read the following Instructions before proceeding in completing Corporate Amendment Application Section IX.
Instructions

The Applicant Company should complete the Corporate Amendment Application Section IX as a courtesy filing in conjunction with other changes or to notify regulatory officials of address changes or contact person changes applicable to the Applicant Company. For electronic filings, this change is submitted separately (stand-alone).

Table of Contents / Filing Requirements

1. Application Form and Attachments
2. State-Specific Information

1. Application Form and Attachments - Item 1 of Application

The Change of Address/Contact Notification is used to update contact information or address information and does not require an approval. Submit a completed Change of Address/Contact Notification (Form 14).

2. State-Specific Information - Item 2 of Application

Some jurisdictions may have additional requirements that the Applicant Company must meet before the state can amend a Certificate of Authority. Before completing a UCAA Corporate Amendment Application, the Applicant Company should review the State-specific requirements for the application state. Attach a completed Form 12, Uniform Consent to Service of Process, if the forwarding address has changed because of this application. Include as Item 2 of the application.

Corporate Amendments Application Section X
Filing Requirements (Statement of Withdrawal Complete Surrender of Certificate of Authority)

This section provides a guide to understanding the focus of each document of the Corporate Amendment Application. However, there typically are multiple purposes for documents. Therefore, it is important that applications be complete.

All documents submitted in support of the application must be current. However, in certain instances, some states have limited latitude to accept older documents. Please contact the states individually with questions about a specific document.

All forms required for the Corporate Amendment Application are located under the Corporate Amendment Application tab in the UCAA Forms Section on the UCAA website.

Table of Contents/ Filing Requirements

1. Application Form and Attachments
2. Filing Fee
3. Statement of Withdrawal and Attachments
4. State-Specific Information
1. **Application Form and Attachments** - Item 1 of the application

The application must identify the reason for withdrawal. For hard-copy filings submit a completed Checklist (Form 1C), and the original Certificate of Authority or an affidavit of lost Certificate of Authority (Form 15). All forms for the Corporate Amendment Application are located on the UCAA website. A cover letter may be included.

2. **Filing Fee** - Item 2 of the application.

The application must include a filing fee for the application state, if required. The payee name and instructions for submitting a filing fee are located in the Withdrawal Requirements chart located on the UCAA website. Submit a copy of the Applicant Company’s check. For electronic filings, the fees should include a copy of the electronic Checklist, which includes the filing’s tracking number.

3. **Statement of Withdrawal and Attachments** - Item 3 of the application

The application must include a completed Statement of Withdrawal (Form 17).

Include attachments to the Statement of Withdrawal.

4. **State-Specific Information** - Item 4 of the application

Some jurisdictions may have additional requirements that the Applicant Company must meet before the state can cancel a Certificate of Authority. Before completing a UCAA Corporate Amendment Application, the Applicant Company should review the listing of State-Specific Requirements for the application state.

**Corporate Amendments Application Section XI**

**Filing Requirements (Statement of Voluntary Dissolution)**

This section provides a guide to understanding the purpose of completing the statement of voluntary dissolution. This courtesy filing does not require approval but should be provided when the Applicant Company is exiting the marketplace. This form is also available for Risk Retention Group registrations.

This form should be completed by those reporting entities that are ending their existence in all states. The Applicant Company should complete Form 16a or 16b and submit to the domicile state when requesting dissolution or cancellation of the Certificate of Authority and may also be requested by non-domiciliary states when requesting cancellation of the foreign Certificate of Authority. The purpose of the form is to provide information about the status of all foreign Certificates of Authority and any obligations that are still present in those states.

**Table of Contents /Filing Requirements/Columns**

1. List state(s) where certificate of authority has been held.
2. Approval date for the surrender of the Certificate of Authority.
3. Policyholder obligations or contingent liabilities.
4. Status of premium taxes, fees and other monetary obligations to the foreign state.
5. State deposits, amount and purpose.
1. Certificate of Authority has been held from the states listed below

List each state from which the entity has held a certificate of authority during the last 10 years. Include states where a certificate of authority had been issued and surrendered within the 10-year period. For Risk Retention Groups-list each state from which the entity has registered during the last 10 years. Include states where a registration had been issued and surrendered within the 10-year period.

2. Approval date of surrender of Certificate of Authority by state

Report the date that the state department of insurance approved the surrender or cancellation of the Certificate of Authority in that state. For Risk Retention Groups – report the date of registration cancellation by state.

3. Policyholder obligations or contingent liabilities

Report any kind of obligation that exists on the date of the signature on this form which is related to the policies or contracts issued by the entity or RRG. Include claim obligations, loss adjustment expenses, involuntary reinsurance pool obligations and any other unpaid charges that arise from policies or contracts written in that state or that are expected to arise from the policy or contract activities of the entity or RRG in that state. Estimate the amount if the actual amount is not known.

4. Premium taxes, fees and other monetary obligations owed to the foreign state

Report any other obligations that exist on the date of the signature on this form. Include taxes, fees, assessments, creditor obligations and any other unpaid charges that arise from that state or that are expected to arise from the operations of the entity or RRG in that state. Estimate the amount if the actual amount is not known.

5. State Deposit

Report the amount of any statutory or regulatory deposit that exists in the state on the date of the signature on this form. Explain the reason for the deposit, if known.

Corporate Amendments Application Section XII
Filing Requirements (Uniform Consent to Service of Process)

This section provides a guide to understanding the focus of a stand-alone Uniform Consent to Service of Process Application. It is important that the application be complete.

Please contact the states individually if there are questions about a specific document that is not noted under the state specific instructions on the UCAA website.

The required form for the stand-alone Uniform Consent to Service of Process Application is located under the Corporate Amendment Application tab in the UCAA Forms Section on the UCAA website. The Form is in Word or Adobe PDF file format. The electronic stand-alone application is located under the Electronic Application link on the UCAA web site and requires a user ID and password to access.

Please read the following Instructions before proceeding in completing Corporate Amendment Application Section XII.
Instructions

The Applicant Company can complete the Uniform Consent to Service of Process Application as a stand-alone filing or in conjunction with any other Corporate Amendment Application (or via the electronic application) where a service of process form is required to notify regulatory officials of service of process changes to the Applicant Company.

Table of Contents /Filing Requirements

1. Application Form and Attachments
2. Filing Fee
3. State-Specific Information

1. Uniform Consent to Service of Process Form - Item 1 of Application

The Uniform Consent to Service of Process is located on the UCAA website. Submit a completed Uniform Consent to Service of Process (Form 12) or utilize the electronic stand-alone application process.

2. Filing Fee - Item 2 of the application

The application will need to include a filing fee if required by the application state. Check the Corporate Amendment Filing Fee chart /Filing Fee Matrix on the UCAA website or contact the application state for filing requirements. If retaliatory, verify fee information via the State Retaliatory Information link. Submit a copy of the Applicant Company’s check. For electronic filings, the fees should include a copy of the electronic Checklist, which includes the filing’s tracking number.

3. State-Specific Information - Item 3 of the application

Some jurisdictions may have additional requirements that the Applicant Company must meet before the state can accept the amended Consent to Service of Process form. Before completing a UCAA Uniform Consent to Service of Process Application, the Applicant Company should review the listing of State-Specific Requirements for the application state.
Mike Monahan
Senior Director, Accounting Policy
202-624-2324 t
mikemonahan@acli.com

January 12, 2022

Ms. Debbie Doggett, Co-Chair
Mr. Cameron Piatt, Co-Chair
National Treatment and Coordination (E) Working Group
National Association of Insurance Commissioners
1100 Walnut Street, Suite 1500
Kansas City, MO 64106-2197

Re: Company Licensing Proposal Form

Dear Co-Chairs Doggett and Piatt,

We appreciate the opportunity to comment on the Working Group’s Proposal 2021-07 dated December 1, 2021 (“Exposure Draft”). We share concerns States have regarding the expeditious processing of any Uniform Certificate of Authority Application (“UCAA”), and we believe all sectors of the industry have a common interest in ensuring these applications are processed without any undue delay. We also have concerns with the overall nature of the new proposed language—while there may be instances of companies being delinquent in responding to States’ requests for follow-up, we do not believe it is enough of a wide spread concern to warrant such stringent language in the UCAA instructions.

First of all, we question the overall necessity of including the proposed update. States already maintain and exercise the power to require an applicant company withdraw an application at any time, so we do not see any utility in explicitly including this authority in the UCAA instructions. Moreover, we would strongly object to any language that would trigger an automatic withdrawal of an application as we imagine States can and should maintain the discretion to allow for as much time to respond as they deem adequate.

Moreover, based on recent discussions within the National Treatment Working Group around expanding the question in the Form 8 (which currently requires disclosure of any application denials) to also include application withdrawals within the past five years, the adoption of such a stringent timeline would unduly prejudice companies acting in good faith to comply with a regulator’s request.
for more information, particularly given the extensive nature of the documentation which must be produced in connection with Expansion and Primary applications.

From the perspective of the regulated industry, their experience with some, although certainly not most, states is quite the opposite of what this draft language supposes. Oftentimes, it is the applicant companies who are struggling to get any response back from a State and having their applications processed in a timely manner. There are instances where applications can linger for well over 12 (and sometimes 24) months, while, in the meantime, the companies are potentially losing business opportunities and policyholders are unable to take advantage of the benefits of having more optionality. These delays, in turn, can lead to instances where submitted application materials become stale and need to be resubmitted. With the currently proposed language, this is especially troublesome when the stale materials are financial statements that, by their very nature, can take well over 30-days to submit depending on when in a quarter the request for updated financials is made.

If there is a need to include this type of language to the UCAA instructions, we would suggest a longer period of time (e.g., 60-days) for an applicant company to respond before facing withdrawal of an application and to explicitly include that States continue to maintain the discretion to allow for more time to respond as they see fit. For something that could result in the withdrawal of an application—a relatively drastic measure in the world of company licensing—more time and explicit mention of State discretion would appear to be a more reasonable approach.

Further, as States are also integral in the timely processing of UCAA filings, we would recommend the inclusion of more explicitly required timeframes for the ultimate determination of these applications. If companies are put under a strict 30-day clock for any State request, we suggest a similarly strict timeframe for when States begin and complete their review of an application.

We thank you again for the ability to comment on this Draft Exposure and appreciate your time and consideration.

Sincerely,

[Signature]

Mike Monahan
Senior Director, Accounting Policy

[Signature]

Lisa Brown
Senior Director, Market Conduct & Counsel

Cc: Jane Barr
ATTACHMENT 3
PENDING
MEMORANDUM

TO: Judy Weaver (MI), facilitator of the Chief Financial Regulator Forum

FROM: National Treatment and Coordination (E) Working Group

DATE: January __, 2022

RE: Authorization of Domestic Surplus Lines Insurers

On its August 26, 2020 call, the National Treatment and Coordination (E) Working Group received a referral from the Chief Financial Regulator Forum on how to best handle Domestic Surplus Lines Insurers (DSLIs). The Working Group established a drafting group made up of both National Treatment and Coordination (E) Working Group and Surplus Lines (C) Working Group members to address the referral through discussion and surveys to the DSLI states. The drafting group addressed the following questions and developed guidance as requested in the referral:

- How to handle active or runoff admitted market premium written within the state of domicile post-DSLII authorization;
  - Of the states that responded to the initial survey a majority indicated that active or runoff admitted market premium was not allowed after conversion to a DSLI. Companies must either:
    - allow for the admitted business to lapse or expire;
    - be removed from the company through novation, cancellation, non-renewal or some other mechanism approved by the Director or Commissioner;
    - be assumed by a direct writer; or
    - cease writing admitted business on a specific date and allow the admitted block to go into runoff.

- How to address a DSLI that requests authorization to write both admitted and nonadmitted premiums in the state of domicile (unless prohibited in the legislation);
  - Based on the drafting group’s review of each state’s statute and the survey, state’s do not allow a DSLI to carry admitted policies on their books.

- An understanding as to whether a DSLI with admitted premiums would continue to be eligible for guaranty fund protection;
  - The drafting group did not find that any state’s allowed for admitted business to be converted to non-admitted business.
Based on the drafting group’s review of each state’s statute and the surveys, no states allow for DSLI carrier to carry admitted business on their books and non-admitted business is not eligible for guaranty fund coverage.

- The best way for the state department of insurance to disclose authorized DSLIs; and
  - Based on the survey results, many states report DSLI carriers on their state website. Carriers also report DSLI status on Schedule T.
- The best method to be assured that the insurer is accurately reporting DSLI status, on its Schedule T, for its state of domicile.
  - The Annual Statement Instructions provide a DSLI status for those entities that are a DSLI.

The drafting group utilized the information obtained through their review of the state statutes and survey responses to develop a chart regarding the requirements for becoming a new DSLI carrier or converting from an admitted carrier to a DSLI. The chart was referred to the Working Group for review and posting to the UCAA webpage.

If you have any questions regarding the information outlined or guidance proposed, please contact ____________.
# Domestic Surplus Line Insurers

States listed on the Domestic Surplus Lines Insurers (DSLI) chart have enacted statutes or regulations that allow for DSLI carriers in their state. States that have not enacted statutes or regulations allowing DSLI carriers are not included on the chart.

<table>
<thead>
<tr>
<th>State</th>
<th>Statute/Regulation</th>
<th>Initial Application</th>
<th>Additional Requirements</th>
<th>Board of Directors - Resolution Required</th>
<th>Minimum Capital &amp; Surplus</th>
<th>Existing Admitted Business</th>
<th>Fees</th>
<th>Website</th>
<th>State Contact</th>
</tr>
</thead>
</table>
| AZ    | 20-407.01          | UCAA Primary        | Form SL-112            | Yes                                      | $15 million              | Must be removed from the company through novation, cancellation or non-renewal of policies or some other mechanism approved by the Director | New: $370.00  
cary.cook@difi.az.gov  
602.364.3986 |
| AR    | 23-65-320          | UCAA Primary        | No state specific forms| Yes                                      | $20 million              | Must be removed from the company through novation, cancellation or non-renewal of policies or some other mechanism approved by the Director | New: $1,000.00  
Kimberly.johnson@arkansas.gov  
501-371-2680 |
| CT    | Sec. 38a-271a       | UCAA Primary        | See the State Specific Information below for additional detail. | Yes                                      | $15 million              | Written confirmation that the company does not have any admitted business in any jurisdiction where the company writes business. | $40 certified statement fee for a Certified Statement of DSLI Designation. | [https://portal.ct.gov/-/media/CID/SL4SurplusLinesEligibilitypdf.pdf](https://portal.ct.gov/-/media/CID/SL4SurplusLinesEligibilitypdf.pdf) | |
| DE    | 78 Del. Laws, c. 176, § 4; § 1932 | UCAA Primary | Yes | $15 million | $100 Retaliatory  
$150 Issuance of CoA | $100 Retaliatory  
$150 Issuance of CoA | [https://insurance.delaware.gov/information/surpluslines/](https://insurance.delaware.gov/information/surpluslines/) | Scott Sanders  
sanders@oci.ga.gov  
Patricia Coppel  
pcoppel@oci.ga.gov |
| GA    | 33-5-20.2          | UCAA Primary        | None        | Yes                                      | $15 million              | Must be removed from the company through novation, cancellation or non-renewal of policies or some other mechanism approved by the Director | New: $605  
sanders@oci.ga.gov  
Patricia Coppel  
pcoppel@oci.ga.gov |
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<th>Website</th>
<th>State Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>IL</td>
<td>(215 ILCS 5/445a)</td>
<td>In the Articles of Incorporation, they need to state that they are forming as a DSLI under Section 445a of the Illinois Insurance Code</td>
<td>Checklist [IL - Formation packet of a domestic surplus]</td>
<td>Yes</td>
<td>$15 million</td>
<td>Must be removed from the company through novation, cancellation or non-renewal of policies or some other mechanism approved by the Director</td>
<td>New: $2,000 Conversion: $250 – $200 (Amended Articles of Incorporation) + $50 (Amended CoA)</td>
<td>Marcy Savage <a href="mailto:marcy.savage@illinois.gov">marcy.savage@illinois.gov</a> 217-524-0016</td>
<td></td>
</tr>
<tr>
<td>*IA</td>
<td>§515I.4A</td>
<td>UCAA Primary Application</td>
<td>See the Footnote* below for the state-specific information that the applicant would need to comply.</td>
<td>Yes</td>
<td>$15M or 300% of ACL RBC pursuant to chapter 521E</td>
<td>All fees are subject to retaliation. Retaliatory fees are collected at time of application if greater than the Iowa basis. Total admission fees - $100. Filing application - $50. Issuing Certificate of Authority - $50. Desk audit fee - $2000. Total renewal fees - $100. Filing renewal application - $50. Issuing renewal Certificate of Authority - $50. Filing amended Articles of Incorporation - $50. Issuing amended Certificate of Authority - $25. Affixing official seal (certification) - $10.</td>
<td><a href="https://www.ildi.i.gov/industry/company-licensing/application-forms/ucaa/initial-application">https://www.ildi.i.gov/industry/company-licensing/application-forms/ucaa/initial-application</a></td>
<td>Debbie Doggett <a href="mailto:Debbie.Doggett@insurance.mo.gov">Debbie.Doggett@insurance.mo.gov</a> 573-526-2944</td>
<td></td>
</tr>
<tr>
<td>LA</td>
<td>R5 22:436.1</td>
<td>UCAA Primary or State Application Form</td>
<td>For Primary, same state specific items as all other.</td>
<td>Yes</td>
<td>$15 million</td>
<td>Must have no active admitted business</td>
<td>New: $2,525.00 Conversion: No fees unless amendment to Articles is required then it is $25.00 fee.</td>
<td><a href="https://www.ildi.i.gov/industry/company-licensing/application-forms/ucaa/initial-application">https://www.ildi.i.gov/industry/company-licensing/application-forms/ucaa/initial-application</a></td>
<td>Company Licensing</td>
</tr>
<tr>
<td>MO</td>
<td>384.018</td>
<td>UCAA Primary</td>
<td>Proof of being an eligible surplus lines carrier in another state.</td>
<td>Yes</td>
<td>$20M</td>
<td>Must be removed from the company through novation, cancellation or non-</td>
<td>If already a Missouri domestic, the fee relates to a change in the Articles of Incorporation and</td>
<td><a href="https://www.ildi.i.gov/industry/filings/admissions/index.php">https://www.ildi.i.gov/industry/filings/admissions/index.php</a></td>
<td>Debbie Doggett <a href="mailto:Debbie.Doggett@insurance.mo.gov">Debbie.Doggett@insurance.mo.gov</a> 573-526-2944</td>
</tr>
</tbody>
</table>

*Note: The fee for the state-specific information that the applicant would need to comply.

- **IL**: (215 ILCS 5/445a) In the Articles of Incorporation, they need to state that they are forming as a DSLI under Section 445a of the Illinois Insurance Code.
  - Checklist: IL - Formation packet of a domestic surplus
  - Minimum Capital & Surplus: $15 million
  - Existing Admitted Business: Must be removed from the company through novation, cancellation or non-renewal of policies or some other mechanism approved by the Director.
  - Fees: New: $2,000 Conversion: $250 – $200 (Amended Articles of Incorporation) + $50 (Amended CoA)
  - State Contact: Marcy Savage marcy.savage@illinois.gov 217-524-0016

- **IA**: §515I.4A UCAA Primary Application
  - Checklist: See the Footnote* below for the state-specific information that the applicant would need to comply.
  - Minimum Capital & Surplus: $15M or 300% of ACL RBC pursuant to chapter 521E
  - Fees: New: $2,525.00 Conversion: No fees unless amendment to Articles is required then it is $25.00 fee.
  - State Contact: Debbie Doggett Debbie.Doggett@insurance.mo.gov 573-526-2944

- **LA**: R5 22:436.1 UCAA Primary or State Application Form
  - Checklist: For Primary, same state specific items as all other.
  - Minimum Capital & Surplus: $15 million
  - Existing Admitted Business: Must have no active admitted business.
  - Fees: New: $2,525.00 Conversion: No fees unless amendment to Articles is required then it is $25.00 fee.
  - State Contact: Company Licensing

- **MO**: 384.018 UCAA Primary
  - Checklist: Proof of being an eligible surplus lines carrier in another state.
  - Minimum Capital & Surplus: $20M
  - Existing Admitted Business: Must be removed from the company through novation, cancellation or non-renewal.
  - Fees: If already a Missouri domestic, the fee relates to a change in the Articles of Incorporation and
  - State Contact: Debbie Doggett Debbie.Doggett@insurance.mo.gov 573-526-2944
<table>
<thead>
<tr>
<th>State</th>
<th>Statute/ Regulation</th>
<th>Initial Application</th>
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<th>Fees</th>
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</tr>
</thead>
</table>
| NE    | 44-5506.01          | UCAA Primary        | Checklists provided for reference: | Yes | Minimum capital stock of at least $1M and minimum surplus of at least $15M | NE DSU are not permitted to have existing admitted business. | New: $1,000.00 – pre-admission + $300.00 for issuance of Certificate of Authority. Conversion: $100.00 amended Certificate of Authority and $20.00 Amended Articles of Incorporation | Certificate of Authority and charged at $150. If not a domestic, they can redomesticate. The application fee for redomestication is $1000. They then can convert at the $150 fee. Post conversion, annual renewal is $2000 per year. | [https://doi.nebraska.gov/insurers/company-admissions/licensing/registration](https://doi.nebraska.gov/insurers/company-admissions/licensing/registration) | Lindsay Crawford  
Deputy Chief Examiner  
Lindsay.Crawford@nebraska.gov |
| NV    | NRS 685A.072        | UCAA Primary        | Written declaration as a domestic surplus lines insurer by the Commissioner. | No | $15 million | Filing initial application - $2,450  
Issuance of certificate - $283  
Charter documents, other than those filed with an application for a certificate of authority. Filing amendments to articles of incorporation, charter, bylaws, power of attorney and other constituent documents of the insurer, each document $10  
NRS 685A.180 - 3. For the purposes of this section, the “premium” on surplus lines coverages includes: (a) The gross amount charged by the insurer for | [https://doi.nv.gov/insurers/property-casualty/surplus-lines-insurers/](https://doi.nv.gov/insurers/property-casualty/surplus-lines-insurers/) | Joe Casey jcasey@doi.nv.gov |
<table>
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<th>State</th>
<th>Statute/Regulation</th>
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</thead>
<tbody>
<tr>
<td>NH</td>
<td>405:24</td>
<td>UCAA Primary</td>
<td>Yes</td>
<td>$15 million</td>
<td>Would need to be novated.</td>
<td>New: $1,000.00</td>
<td></td>
<td><a href="https://www.nh.gov/insurance/">https://www.nh.gov/insurance/</a></td>
<td>Tracey Russo <a href="mailto:tracey.l.russo@ins.nh.gov">tracey.l.russo@ins.nh.gov</a></td>
</tr>
<tr>
<td>NJ</td>
<td>17:22-6.69b</td>
<td>UCAA Primary – same as authorized domestic insurer. State Specific Forms: <a href="https://www.nj.gov/dobi/division_insurance/sleo.htm#faq">https://www.nj.gov/dobi/division_insurance/sleo.htm#faq</a></td>
<td>Submission of a Feasibility Study - See Department’s website</td>
<td>Yes</td>
<td>$15 million</td>
<td>$1,000.00</td>
<td></td>
<td><a href="https://www.nj.gov/dobi/division_insurance/sleo.htm#domestic">https://www.nj.gov/dobi/division_insurance/sleo.htm#domestic</a></td>
<td></td>
</tr>
<tr>
<td>*NC</td>
<td>§ 58-21-21</td>
<td>The Department requires the same forms and documentation as would be required for a domestic P&amp;C insurer. See Footnote* below for the specific items to include.</td>
<td>Yes</td>
<td>$15 million</td>
<td>Must be removed from the company through novation, cancellation or non-renewal of policies or some other mechanism approved by the Department.</td>
<td>New: $500.00</td>
<td></td>
<td><a href="https://www.ncdoi.gov/licenses/company-licensing-and-registration/nonadmitted-domestic-surplus-lines-insurers">https://www.ncdoi.gov/licenses/company-licensing-and-registration/nonadmitted-domestic-surplus-lines-insurers</a></td>
<td>Joe Greene, Company Admissions Analyst <a href="mailto:Joseph.Greene@ncdoi.gov">Joseph.Greene@ncdoi.gov</a> (919) 807-6182 Jessica Price, Chief Financial Analyst <a href="mailto:Jessica.Price@ncdoi.gov">Jessica.Price@ncdoi.gov</a> (919) 807-6169</td>
</tr>
<tr>
<td>ND</td>
<td>26.1-44-03.2</td>
<td>UCAA Primary</td>
<td>Pre-licensing examination</td>
<td>Yes</td>
<td>$15 million</td>
<td>Allowed to expire</td>
<td>New: $500.00</td>
<td></td>
<td><a href="mailto:Risk.assessment@insurance.ohio.gov">Risk.assessment@insurance.ohio.gov</a></td>
</tr>
<tr>
<td>OH</td>
<td><a href="https://code.s.ohio.gov/o">https://code.s.ohio.gov/o</a></td>
<td>UCAA Primary (new companies)</td>
<td>Letter from the Company</td>
<td>Yes</td>
<td>$15 million</td>
<td>Company would need to obtain novation</td>
<td>$1,000.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State</td>
<td>Statute/Regulation</td>
<td>Initial Application</td>
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<tr>
<td>OH</td>
<td>Ohio revised-code/section-3905.332 and redomestications OR Request to change form from a PC to a DSLI</td>
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<tr>
<td>TX</td>
<td>Sec. 981.072. UCAA Primary &amp; Name Reservation Application submitted to <a href="mailto:CLRFilings@tdi.texas.gov">CLRFilings@tdi.texas.gov</a></td>
<td>Require a qualifying exam</td>
<td></td>
<td>No</td>
<td>Sec. 981.054.(a) Except as provided by Subsection (b), an eligible surplus lines insurer must maintain capital and surplus in an amount of at least $15 million. Not allowed to write or have existing Admitted business</td>
<td>New: N/A</td>
<td>Conversion: N/A</td>
<td><a href="https://www.tdi.texas.gov/forms/fincolicense/fn300nameapp.pdf">https://www.tdi.texas.gov/forms/fincolicense/fn300nameapp.pdf</a></td>
<td>Company Licensing and Registration 512-676-6365</td>
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<tr>
<td>VT</td>
<td>§5023a UCAA Primary Sections of Title 8, Chapter 101 apply, specifically §3305, petition, hearing.</td>
<td>Yes</td>
<td></td>
<td></td>
<td>$15M</td>
<td>Must be removed from the company through novation, cancellation or non-renewal of policies or some other mechanism approved by the Director. Based on examiner rate per hour and the number of hours for review. Annual Statement Filing Fee $100.00</td>
<td>New: $500.00</td>
<td>Conversion: N/A</td>
<td><a href="https://dfr.vermont.gov/industry/insurance/company-licensing/how-apply/vermont-domestic-insurers">https://dfr.vermont.gov/industry/insurance/company-licensing/how-apply/vermont-domestic-insurers</a></td>
</tr>
<tr>
<td>State</td>
<td>Statute/ Regulation</td>
<td>Initial Application</td>
<td>Additional Requirements</td>
<td>Board of Directors - Resolution Required</td>
<td>Minimum Capital &amp; Surplus</td>
<td>Existing Admitted Business</td>
<td>Fees</td>
<td>Website</td>
<td>State Contact</td>
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<tr>
<td>WI</td>
<td>(Ch. 600 to 655) § 618.41</td>
<td>UCAA Primary – newly formed DSLI Streamlined process for conversions of existing domestic insurer.</td>
<td>Yes</td>
<td>Minimum Surplus: $3 million</td>
<td>If an admitted carrier converts to DSLI, there is a specific date on which it stops writing admitted business and begins to write surplus lines business. The admitted block is in run-off</td>
<td>New: $400.00 application fee &amp; $400.00 licensing fee Conversion: $25 filing of amended or restated articles if needed, and $25 amended Certificate of Authority fee</td>
<td><a href="https://oci.wi.gov/Pages/Consumers/PI-026.aspx">https://oci.wi.gov/Pages/Consumers/PI-026.aspx</a></td>
<td>Mark McNabb Company Licensing &amp; Analytics Supervisor <a href="mailto:mark.mcnabb@wisconsin.gov">mark.mcnabb@wisconsin.gov</a></td>
<td></td>
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</tbody>
</table>

*NC – Initial Application
These specific items include the following:

- A nonrefundable application fee of $500.00.
- Biographical information, including names, addresses, and official positions, on each promoter, incorporator, director, trustee, and the proposed management personnel, including a completed NAIC biographical affidavit form.
- Chart(s) showing the internal organizational structure of the applicant’s management and administrative staff.
- A disclosure identifying all affiliates, including a description of any management, service, or cost-sharing arrangement between an affiliate and the applicant. Include corporate organizational charts, which clearly identify the relationships between the applicant and any affiliates.
- Draft copies of any management, service, cost-sharing, tax allocation, administrative, or custodial agreements that will be entered into pursuant to NCGS § 58-19-30 or NCGS § 58-34-10, which will require review and approval by the Department.
- A detailed and complete plan of operation
- Five-year financial projections, including a balance sheet, income statement, cash flow statement, and risk-based capital forecast. A qualified individual must prepare the projections, and they must be in sufficient detail for the Department to perform a complete analysis. Projections must be accompanied by a list of the assumptions used.
- A description of the source of the initial capitalization of the applicant, including financial statements for the applicant’s parent or other source(s) of financial support.
- Evidence that adequate technical expertise (accounting, actuarial, underwriting, etc.) is available either with the applicant through the incorporators and proposed initial staff of the applicant or that the applicant has retained the necessary expertise.
- An original and two copies of the proposed Articles of Incorporation.
- A copy of the proposed bylaws.
- Fingerprint cards on all key personnel as defined by NCGS § 58-7-37.

*IJA – Additional Requirements

a. A balance sheet for the most recent calendar quarter that demonstrates the applicant possesses the greater of minimum capital and surplus of at least $15 million or three hundred percent of authorized-control-level risk-based capital pursuant to Iowa Code chapter 521E.

b. The applicant is an eligible surplus lines insurer in at least one jurisdiction other than Iowa.

c. Duly executed resolution of the applicant’s board of directors to be designated as an Iowa domestic surplus lines insurer and stating that the insurer shall only write surplus lines business. The resolution shall not be amended without approval of the commissioner. If the applicant currently holds a Certificate of Authority in Iowa, then the applicant would submit the following documentation to the Division:

   a. A balance sheet for the most recent calendar quarter that demonstrates the applicant possesses the greater of minimum capital and surplus of at least $15 million or three hundred percent of authorized-control-level risk-based capital pursuant to Iowa Code chapter 521E.

   b. The applicant is an eligible surplus lines insurer in at least one jurisdiction other than Iowa.
c. Duly executed resolution of the applicant’s board of directors to be designated as an Iowa domestic surplus lines insurer and stating that the insurer shall only write surplus lines business. The resolution shall not be amended without approval of the commissioner.
d. A plan of operations regarding the applicant’s specialty lines program and financial projections for at least three years.
e. Revised Articles of Incorporation and Bylaws.

State Specific Information:

CT - 1. The company must have policyholder surplus of at least $15 million.
   2. The company must submit to the Connecticut Insurance Department ("CID") a Board of Directors Resolution authorizing the company to become a Domestic Surplus Lines Insurer.
   3. The CID needs written confirmation that the company does not have and does not write any admitted business in any jurisdiction where the company writes business.
   4. The CID will need either:
      a. An Amended and Restated Certificate of Incorporation that allows the company to become a DSLI,
      b. Written certification by the company that the current Certificate of Incorporation allows the company to become a DSLI.
   5. If the company chooses number 4.a. above, the CID will need to review any changes to the Certificate of Incorporation before they are submitted to the CT Secretary of State. Skip to Item 9 below if the company chooses number 4.b. above since Items 6 through 8 below do not apply in this case.
   6. After the CID reviews the documents in number 5 above, the CID will issue a Certificate of Acknowledgement to the company saying: “This is to Certify, that the Amended and Restated Certificate of Incorporation of the (company name) has been filed with the Connecticut Insurance Department.” (Company will be charged a $40 certified statement fee.)
   7. Once the company receives the CID’s Certificate of Acknowledgement, the company would need to file with the CT Secretary of State all required documents to amend their Certificate of Incorporation. This would include, but is not limited to:
      a. A Certificate of Amendment (from the CT Secretary of State – “Form CAS-1-1.0, REV. 10/2014”).
      b. The Amended and Restated Certificate of Incorporation for the company.
      c. The Certificate of Acknowledgement from the CID.
      d. The Board of Directors Resolution authorizing the company to become a DSLI.
      e. If a stock company, consent from the company’s shareholder(s) to the company becoming a DSLI. If a mutual company, consent from the policyholders.
   8. The CID should receive from the company a complete and original certified copy of the CT Secretary of State’s approval of the changes to the company’s Certificate of Incorporation.
   9. If the company chose Item 4.b. above, then the CID will issue a Certified Statement of DSLI Designation, otherwise, the CID will review the CT Secretary of State’s approval and documents and then issue a Certified Statement of DSLI Designation. See sample - Certificate for Domestic Surplus Lines Insurer. No Certificate of Authority and Compliance (license) will be issued by the CID, only a Certified Statement of DSLI Designation. (Company will be charged a $40 certified statement fee.)
   10. At the time that the company is issued the Certified Statement of DSLI Designation (see Item 9 above), the company must surrender its physical Certificate of Authority and Compliance to the CID.
   11. A copy of the Certificate for Domestic Surplus Lines Company (with the Commissioner’s signature) should be placed in a manila folder, labeled with the name of the company, and filed in the cabinet where all the Certificates of Compliance are filed.
   12. The company may start writing surplus lines business in CT as of the effective date listed in the CID’s Certified Statement of DSLI Designation (described in number 9 above.)
   13. The company will be a Domestic Surplus Lines Non-Admitted Insurer in CT. This means that the company will NOT be licensed in CT (there will be NO Certificate of Authority and Compliance), therefore, the company cannot be licensed in any other state and may only write non-admitted business.

IA – Must be eligible surplus lines insurer in at least one jurisdiction other than this state. A streamlined process is available for an existing admitted carrier to convert to a DSLI. The specific documents for review by the Division are as follows:

a. A balance sheet for the most recent calendar quarter that demonstrates the applicant possesses the greater of minimum capital and surplus of at least $15 million or three hundred percent of authorized-control-level risk-based capital pursuant to Iowa Code chapter 521E.
b. The applicant is an eligible surplus lines insurer in at least one jurisdiction other than Iowa.
c. Duly executed resolution of the applicant’s board of directors to be designated as an Iowa domestic surplus lines insurer and stating that the insurer shall only write surplus lines business. The resolution shall not be amended without approval of the commissioner.
d. A plan of operations regarding the applicant’s specialty lines program and financial projections for at least three years.
e. Revised Articles of Incorporation and Bylaws.
IL – For conversion: Company would have to file duplicate copies of the amended articles of incorporation along with the board resolution indicating that the company wants to convert to a DSLI. We check and make sure that the company has no admitted business on their statements and to confirm that the company has at least $15M in surplus. If the company has any admitted business on their books, they have to either run that business off or transfer the book of business to another company. They have to provide an updated business plan with writing business on a surplus lines basis. Once that review is completed, we route the Amended Articles of Incorporation and amended certificate of authority for the Director’s approval.

LA – For conversion from an admitted carrier to DSLI - Submit written request to amend the C of A to be a DSLI. Submit a resolution from the Board of Directors confirming the desire to convert. Amend Articles of Incorporation to provide minimum capital and surplus of $15 million. Submit financial projections for at least 3 years using UCAA Form 13P.

MO – The entity must apply with a UCAA primary application and approved as an admitted insurer in the state. The entity must then register in a foreign state as surplus lines carrier in the state. The entity would then re-apply/notify Missouri of the registration and could then be converted to a domestic surplus lines insurer. Steps are set forth in 20 CSR 200-6.700: https://www.sos.mo.gov/cmsimages/adrules/csr/current/20csr/20c200-6.pdf.

NE - The licensing process is different for new company formations vs. conversions from a traditional insurer to a DSLI. Applicants are required to file an NAIC UCAA Corporate Amendment, as well as provide additional information pursuant to a state specific checklist, including an attestation that the insurer does not have any outstanding admitted policies/liabilities.