

WebEx Meeting

NATIONAL TREATMENT AND COORDINATION (E) WORKING GROUP

Tuesday, October 13, 2020

12:00 – 1:00 p.m. ET / 11:00 a.m. – 12:00 p.m. CT / 10:00 – 11 a.m. MT/ 9:00 – 10:00 a.m. PT

ROLL CALL

Debbie Doggett, Co-Chair	Missouri	Victoria Baca/Ursula Almada	New Mexico
Linda Johnson, Co-Chair	Wyoming	Cameron Piatt	Ohio
Cindy Hathaway	Colorado	Greg Lathrop	Oregon
Kathy Belfi	Connecticut	Cressinda Bybee	Pennsylvania
Alisa Pritchard	Delaware	Robert Rudnai	Texas
Virginia Christy	Florida	Jay Sueoka	Utah
Stewart Guerin	Louisiana	Ron Pastuch	Washington
Michelle Scaccia	Montana	Amy Malm	Wisconsin

NAIC Support Staff: Jane Barr

AGENDA

1. Consider Adoption of its Aug. 26 Minutes—*Debbie Doggett (MO)* Attachment 1
2. Receive Comments and Consider Proposal 2020-02 (Primary Checklist-Redomestication Requirement)—*Debbie Doggett (MO)* Attachment 2
3. Receive Comments and Consider Adoption of Proposal 2020-01(Electronic Notary)
—*Linda Johnson (WY)* Attachment 3
 - a. Comments
4. Discuss Form 14 Survey Results—*Linda Johnson (WY)* Attachment 4
5. Discuss Any Other Matters Brought Before the Working Group—*Linda Johnson (WY)*
 - a. Electronic Form 3 Updates Attachment 5

w:\qa\ucaahandbook\conference calls\ntcwg\2019\Oct\ 13\agenda.doc

This page intentionally left blank.

Draft: 9/2/20

National Treatment and Coordination (E) Working Group
Conference Call
August 26, 2020

The National Treatment and Coordination (E) Working Group of the Financial Condition (E) Committee met via conference call Aug. 26, 2020. The following Working Group members participated: Debbie Doggett, Co-Chair (MO); Cindy Hathaway (CO); William Mitchell (CT); Alisa Pritchard (DE); Virginia Christy (FL); Stewart Guerin (LA); Ursula Almada (NM); Cameron Piatt (OH); Greg Lathrop (OR); Cressinda Bybee (PA); Robert Rudnai (TX); and Jay Sueoka (UT).

1. Received a Referral from the Chief Financial Regulator Forum

Ms. Doggett summarized the referral regarding domestic surplus lines insurers' (DSLIs) recent legislation adoption and its request that the Working Group work closely with the Surplus Lines (C) Working Group to develop guidance on active runoff; admitted and non-admitted premiums; the review of admitted policies; and the eligibility of guaranty fund protection. Ms. Doggett suggested forming an ad hoc group to draft guidance. Mr. Guerin, Surplus Lines (C) Working Group chair, volunteered to assist. Mr. Rudnai, also a member of both working groups, volunteered as well. Ms. Doggett said that Missouri will also provide a member. NAIC staff will collect information on the domestic surplus line insurers prior to the first ad hoc group call.

2. Exposed Proposal 2020-01

Jane Barr (NAIC) said the purpose of this proposal is to include an option for online notarization to the biographical affidavit and the affidavit of lost certificate of authority, which was present by Florida. With the recent stay at home order in place due to COVID-19 and state statutes to allow for electronic notarization, the state requested that the forms be updated to allow for this option. Ms. Barr did note that in 2019, the Working Group did agree that no further changes to the biographical affidavit would be adopted. Therefore, she said that due to the current remote working schedules of states and insurance employees, this change may be warranted. She added that if adopted by the Working Group, the effective date would be governed by the Financial Condition (E) Committee's subsequent adoption.

Mr. Rudnai said that most states have adopted specific language for online notarization. Therefore, if adopted, the states may need the flexibility to add their state-specific language to the form. Ms. Barr said she would check with the NAIC Legal Division to find out how many states this could affect.

Ms. Doggett suggested exposing proposal 2020-01 for a 30-day public comment period ending Sept. 25. The Working Group unanimously agreed.

3. Exposed Proposal 2020-02

Ms. Doggett said the purpose of proposal 2020-02 for the inclusion of the corporate governance annual disclosure as a requirement of the primary redomestication application is to ensure that states receive the original and subsequent updates since the applicant company is not required to restate the disclosure but only note the changes. The proposal adds this as a required document to the primary application checklist if applicable to the applicant company in addition to the redomestication instructions explaining the purpose of the attachment.

Ms. Doggett suggested exposing proposal 2020-02 for a 30-day comment period ending Sept. 25. The Working Group unanimously agreed.

4. Discussed Other Matters

Ms. Barr summarized a concern she received from interested parties regarding the disconnect between Form 14, change of mailing address/contact notification form, and the state's use of State Based Systems (SBS) or other NAIC databases to reflect current contact information. When a company submits a form 14 update, either the state does not acknowledge receipt or waits several months to contact the company regarding the change when the NAIC company demographics are updated due to the

change noted on the Jurat page of the financial filing. Ms. Hathaway also noted the disconnect between the Uniform Certificate of Authority Application (UCAA) and the company demographics.

Jan Shemanske (W.R. Berkley Corp.) asked if the states' preference could be provided on the UCAA website. Ms. Barr said that they will survey the states and post a Form 14 specific information chart on the website with the states' information on receiving Form 14 updates.

Ms. Barr also informed the members and interested state insurance regulators that a call notice may be sent out by the end of this month regarding a change of control application that was submitted to 47 states.

The Working Group plans to meet after the conclusion of the comment period.

Having no further business, the National Treatment and Coordination (E) Working Group adjourned.

W:\National Meetings\2020\Fall\Cmte\E\NTCWG\08_26_ntcwgmin.docx

Applicant Company Name: _____

NAIC No. _____

FEIN: _____

**Uniform Certificate of Authority Application (UCAA)
Primary Application Checklist
For Primary Application Only**

The application checklist is intended to help guide the insurer (herein after referred to as “Applicant Company”) with the assembly of a complete Primary Uniform Certificate of Authority Application (UCAA). Please be sure to complete the checklist by appropriately marking the boxes on the left side of the page prior to submitting the application for review. The completed checklist should be attached to the top of the application.

Regulator Use Only

- | | | |
|-----|---|--------------------------|
| 1. | Application Form, containing: | <input type="checkbox"/> |
| | <input type="checkbox"/> Completed UCAA Primary Application Checklist (Form 1P) | |
| | <input type="checkbox"/> Original UCAA Primary Application executed and signed (Form 2P) | |
| | <input type="checkbox"/> Include all lines of insurance the Applicant Company is licensed to transact, currently transacting, and requesting authority to transact in all jurisdictions (Form 3). | |
| 2. | Filing Fee (pursuant to Section II Filing Requirements Item 2), containing: | <input type="checkbox"/> |
| | <input type="checkbox"/> Payment of required filing fee | |
| | <input type="checkbox"/> Copy of check | |
| 3. | Minimum Capital and Surplus Requirements (pursuant to Section II Filing Requirements Item 3) | <input type="checkbox"/> |
| | <input type="checkbox"/> Provide explanation of compliance with minimum capital & surplus requirements for state for which application is prepared | |
| 4. | Statutory Deposit Requirements (pursuant to Section II Filing Requirements Item 4) | <input type="checkbox"/> |
| | <input type="checkbox"/> An original Certificate of Deposit prepared by state of domicile (Form 7) | |
| 5. | Name Approval (pursuant to Section II Filing Requirements Item 5) | <input type="checkbox"/> |
| | <input type="checkbox"/> Evidence of name approval request | |
| 6. | Plan of Operation (pursuant to Section II Filing Requirements Item 6) | <input type="checkbox"/> |
| | <input type="checkbox"/> Completed questionnaire (Form 8) | |
| | <input type="checkbox"/> Pro Forma | |
| | <input type="checkbox"/> Narrative | |
| 7. | Holding Company Act Filings (pursuant to Section II Filing Requirements Item 7) | <input type="checkbox"/> |
| | <input type="checkbox"/> Include Holding Company Act Filings, including Form B, Form F or substantially similar Statement | |
| | <input type="checkbox"/> Include Corporate Governance Annual Disclosure and any updates | |
| 8. | Statutory Memberships ((pursuant to Section II Filing Requirements Item 8) | <input type="checkbox"/> |
| | <input type="checkbox"/> Submit documentation as listed in Section II Filing Requirements Item 8 | |
| 9. | SEC Filings or Consolidated GAAP Financial Statement | <input type="checkbox"/> |
| | <input type="checkbox"/> Submit documentation as listed in Section II Filing Requirements Item 9 | |
| 10. | Debt-to-Equity Ratio Statement | <input type="checkbox"/> |
| | <input type="checkbox"/> Submit documentation as listed in Section II Filing Requirements Item 10 | |
| 11. | Custody Agreements | <input type="checkbox"/> |
| | <input type="checkbox"/> Submit documentation as listed in Section II Filing Requirements Item 11 | |

Applicant Company Name: _____

NAIC No. _____

FEIN: _____

Regulator Use Only

- 12. **Public Records Package – Submit ALL items in chart in Section II Item 12, including:**

 - a. **Articles of Incorporation, including:**
 - Original certification by domiciliary state
 - b. **Bylaws, including:**
 - Original certification by the Applicant Company’s corporate assistant
 - c. **Statement with attachments, including:**
 - Current year annual statement*, verified and signed, including actuarial opinion
 - Current year quarterly statements (one copy for each quarter), verified and signed
 - *1. Updated statements should be submitted on a timely basis while application is pending.
 - 2. If annual statement for two preceding years has not been filed with the NAIC, one copy of each year must be submitted with the application.
 - d. **Independent CPA Audit Report**

- 13. **NAIC Biographical Affidavit (Form 11) for the following:**
 - Officers (as listed on Jurat Page of most recent or upcoming financial statement)
 - Directors (as listed on Jurat Page of most recent or upcoming financial statement)
 - Key managerial personnel (including heads of risk management, compliance, internal audit or other individuals who will control the operations of the Applicant Company or have binding authority over the Applicant Company)
 - Any individual (including management not represented of the Jurat Page or not in key managerial positions) with 10% or greater ownership of the Applicant Company and/or the Applicant Company’s ultimate controlling entity
 - Affidavit originally signed and notarized within six months of application date
 - Affidavit certified by independent third party
- 14. **State-Specific Information**
 - Some jurisdictions may have additional requirements that must be met before a Certificate of Authority can be issued. Before completing a UCAA Primary Application, the Applicant Company should review a listing of requirements for the state to which it is applying.

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 1-14 of the Primary Checklist. A Redomestication is defined as the process where any insurer organized under the laws of any other state may become a domestic insurer that transfers its domicile to another state by merger or consolidation or any other lawful method. The Primary Application when used for a redomestication is filed with the Applicant Company’s new state of domicile.

- 15. **Annual Statement with Attachments**
 - Submit documentation as listed in Section III Filing Requirements Item 1
- 16. **Quarterly Statements**
 - Submit documentation as listed in Section III Filing Requirements Item 2
- 17. **Risk-Based Capital Report**
 - Submit documentation as listed in Section III Filing Requirements Item 3

Applicant Company Name: _____

NAIC No. _____

FEIN: _____

Regulator Use Only

- 18. **Independent CPA Audit Report**
 Submit documentation as listed in Section III Filing Requirements Item 4

- 19. **Reports of Examination**
 Includes a copy of the most recent Report of Financial Examination from its domiciliary state and a note of all more recent examinations, completed by any state, including market conduct examinations along with a description of each examination.

- 20. **Certificate of Compliance (pursuant to Section III Filing Requirements Item 6)**
 Original certification of compliance (Form 6) completed by domiciliary state insurance regulatory agency

UNIFORM CERTIFICATE OF AUTHORITY APPLICATION (UCAA)
Management Information Form
Complete Listing of Incorporators*, Officers
Directors and Shareholders (10% or more)

Incorporators*

Titles:

Ownership Percentage:

Officers:

Directors:

Shareholders:

* Primary Application Only

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. However, the application typically uses the documents 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 states individually if you have questions about a specific document.

All forms required for the Primary Application are available on the UCAA Web site and insurers can download these documents for printing and submission.

Table of Contents

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 Form "B" Registration Statement
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



Detail eliminated to conserve space



6. Plan of Operation

The plan of operation has three components, a brief narrative, pro-forma financial statements/projections 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, such as the reason for redomestication. Provide a company-wide three-year pro-forma balance sheet and income statement. For the lines requested, provide three-year premium and loss projections by line for the state in which you have requested lines of business. 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 Questionnaire is available on the UCAA website. Submit the completed Questionnaire and all attachments as Item 6 of the application.

7. Holding Company Form "B" Registration Statement

If the applicant is a member of a holding company system, the application must include either the most recent Annual Form B Registration Statement or a statement substantially similar to the NAIC model. The filing should include all attachments, exhibits and appendices referenced in the Form B. **Submit 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 7 of the application,** include all attachments and any amendments up to the date you file the application and include copies of all advisory, management and service agreements.

8. Statutory Memberships

In some states, applicants are required to join one or more rating, guarantee or other organizations before transacting insurance. Generally, the applicant's authorized lines of insurance govern statutorily mandated memberships. Please be sure to check with the state in which you are seeking licensure to inquire about any statutory memberships that the state may require 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, its parent or its ultimate holding company has made a filing or registration with the 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, its parent or its ultimate holding company is not publicly traded, the application must include a copy of the applicant's most recent Consolidated GAAP financial statement. Submit the notice of SEC filings or copy of a Consolidated GAAP statement as Item 9 of your application.



Detail eliminated to conserve space



RE: Exposure Draft Notice: National Treatment and Coordination (E) Working Group Ending 9/25/20



Reichel, Randi F <randi_reichel@uhg.com>

To: Barr, Jane
Cc: Vanroeyen, Eileen

Reply Reply All Forward ...
Fri 8/28/2020 8:26 AM

Follow up. Start by Friday, August 28, 2020. Due by Friday, August 28, 2020.

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Jane hi and good afternoon!

Before we think about formal comments, can I ask you a question? I'm looking at the second document, and I realize it's intended to be used for redomestications (in which case, asking for the CGAD of a company that's been up and running and is basically just changing its domestic regulator makes sense to me) but is there a place on this form that indicates the CGAD filing requirement is *only* for redomestications and not all primary applications? Because a new company filing as a "true" primary applicant won't have one. Should this maybe be a requirement under the "Redomestications only" section?

Am I reading that wrong??

Randi Reichel/Vice President/National Regulatory Affairs/UnitedHealth Group
331 Tuscany Road/Baltimore/MD/21210
Office: 952.406.3816/Cell: 202.412.0676
randi_reichel@uhg.com

From: Lopez, Amy <alopez@naic.org>
Sent: Wednesday, August 26, 2020 5:06 PM
To: Barr, Jane <JBarr@naic.org>
Subject: Exposure Draft Notice: National Treatment and Coordination (E) Working Group Ending 9/25/20

Distributed to National Treatment and Coordination (E) Working Group Members, Interested Regulators and Interested Parties

The National Treatment and Coordination (E) Working Group, is exposing the following proposals for a 30-day comment period ending Sept. 25th. Please submit comments via email to [Jane Barr](mailto:Jane.Barr).

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

<p align="right">DATE: <u>4/16/2020</u></p> <p>CONTACT PERSON: <u>Jennifer Milam</u></p> <p>TELEPHONE: _____</p> <p>EMAIL ADDRESS: <u>Jennifer.milam@floiir.com</u></p> <p>ON BEHALF OF: <u>National Treatment & Coordination (E) WG</u></p> <p>NAME: <u>Debbie Doggett & Linda Johnson co-chairs</u></p> <p>TITLE: _____</p> <p>AFFILIATION: <u>MO DOI and WY DOI</u></p> <p>ADDRESS: _____</p>	<p align="center"><u>FOR NAIC USE ONLY</u></p> <p>Agenda Item # <u>2020-01</u></p> <p>Year <u>2020</u></p> <p align="center"><u>DISPOSITION</u></p> <p>[<input type="checkbox"/>] ADOPTED _____</p> <p>[<input type="checkbox"/>] REJECTED _____</p> <p>[<input type="checkbox"/>] DEFERRED TO _____</p> <p>[<input type="checkbox"/>] REFERRED TO OTHER NAIC GROUP _____</p> <p>[X <input checked="" type="checkbox"/>] EXPOSED <u>9/25/20</u> _____</p> <p>[<input type="checkbox"/>] OTHER (SPECIFY) _____</p>
---	--

IDENTIFICATION OF SOURCE AND FORM(S)/INSTRUCTIONS TO BE CHANGED

- [X] UCAA Forms [] UCAA Instructions [] Enhancement to the Electronic Application Process
 [] 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 [X] Form 11-Biographical Affidavit [] Form 12-Uniform Consent to Service of Process [] Form 13- ProForma [] Form 14- Change of Address/Contact Notification
 [X] Form 15 – Affidavit of Lost C of A [] Form 16 – Voluntary Dissolution [] Form 17 – Statement of Withdrawal

DESCRIPTION OF CHANGE(S)

To clarify the signature was either a wet signature or an electronic signature on Form 11 (Biographical Affidavit) and Form 15 (Affidavit of Lost C of A) by including the following verbiage within the notary section “foregoing instrument was acknowledged before me **by means of _physical presence or _online notarization,...**”. Each state’s requirements will be noted on the signature chart posted on the UCAA webpage. Form 15 will be added to this chart.

REASON OR JUSTIFICATION FOR CHANGE **

As more and more states move towards accepting electronic signatures and update their statutory requirements it is necessary to capture those requirements on these forms. This change will identify which avenue (physical or electronic) the notary used to verify the affiant’s signature. With the current climate of remote working due to Covid-19 it may be necessary to utilize electronic signatures and notaries going forward. This will also be a requirement when the biographical affidavit database is created.

Additional Staff Comments:

** This section must be completed on all forms.

Revised 01-2019

**Uniform Certificate of Authority Application (UCAA)
BIOGRAPHICAL AFFIDAVIT**

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority. The affiant may be required to provide additional information during the third-party verification process if they have attended a foreign school or lived and worked internationally.

Specify Purpose for Completion:

Form A: _____ UCAA Type: _____ Other: _____

↓
↑ **Detail Eliminated To Conserve Space** ↓
↑

Dated and signed this _____ day of _____, 20____ at _____. I hereby certify under penalty of perjury that I am acting on my own behalf and that the foregoing statements are true and correct to the best of my knowledge and belief.

___ I hereby acknowledge that I may be contacted to provide additional information regarding international searches.

(Signature of Affiant)

State of: _____ County of: _____

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this _____ day of _____, 20____ by _____, and: who is personally known to me, or who produced the following identification: _____.

[SEAL]

Notary Public

Printed Notary Name

My Commission Expires

Applicant Company Name: _____
NAIC No.: _____ FEIN: _____

**BIOGRAPHICAL AFFIDAVIT
Supplemental Personal Information**

(Print or Type)

To the extent permitted by law, this affidavit will be kept confidential by the state insurance regulatory authority. The affiant may be required to provide additional information during the third-party verification process if they have attended a foreign school or lived and worked internationally.

Specify Purpose for Completion:

Form A: _____ **UCAA Type:** _____ **Other:** _____

↓
↑ **Detail Eliminated To Conserve Space** ↓
↑

Dated and signed this ____ day of _____, 20____ at _____. I hereby certify under penalty of perjury that I am acting on my own behalf and that the foregoing statements are true and correct to the best of my knowledge and belief.

___ I hereby acknowledge that I may be contacted to provide additional information regarding international searches.

(Signature of Affiant)

State of: _____ County of: _____

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ____ day of _____, 20____ by _____, and: who is personally known to me, or who produced the following identification: _____.

[SEAL]

Notary Public

Printed Notary Name

My Commission Expires

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS
(All states except California, Minnesota and Oklahoma)

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of _____ [company name] (“Company”) for licensure or a permit to organize (“Application”) with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both) (“Background Reports”) regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative (“Affiant”) of Company or of any business entities affiliated with Company (“Term of Affiliation”) for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may obtain copies of any Background Reports about you from the consumer reporting agency (“CRA”) that produces them. You may also request more information about the nature and scope of such reports by submitting a written request to Company. To obtain contact information regarding CRA or to submit a written request for more information, contact _____ [company’s designated person, position, or department, address and phone].

Attached for your information is a “Summary of Your Rights Under the Fair Credit Reporting Act.”

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) six (6) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

(Printed Full Name and Residence Address)

(Signature)

(Date)

State of: _____ County of: _____

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this _____ day of _____, 20____ by _____, and: who is personally known to me, or who produced the following identification: _____

[SEAL]

Notary Public

Printed Notary Name

My Commission Expires

Applicant Company Name: _____
NAIC No.: _____ FEIN: _____

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS
(Minnesota and Oklahoma)

This Disclosure and Authorization is provided to you in connection with pending or future application(s) of _____ [company name] (“Company”) for licensure or a permit to organize (“Application”) with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both) (“Background Reports”) regarding your background for review by a department of insurance in any state where Company pursues an Application during the term of your functioning as, or seeking to function as, an officer, member of the board of directors or other management representative (“Affiant”) of Company or of any business entities affiliated with Company (“Term of Affiliation”) for which a Background Report is required by a department of insurance reviewing any Application. Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may request more information about the nature and scope of Background Reports produced by any consumer reporting agency (“CRA”) by submitting a written request to Company. You should submit any such written request for more information, to _____ [company’s designated person, position, or department, address and phone].

Attached for your information is a “Summary of Your Rights Under the Fair Credit Reporting Act.” You will be provided with a copy of any Background Report procured by Company if you check the box below.

- By checking this box, I request a copy of any Background Report from any CRA retained by Company, at no extra charge.

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. This Authorization shall remain in full force and effect until the earlier of (i) the expiration of the Term of Affiliation, (ii) written revocation as described above, or (iii) six (6) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

(Printed Full Name and Residence Address)

(Signature)

(Date)

State of: _____ County of: _____

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this _____ day of _____, 20____ by _____, and: who is personally known to me, or

who produced the following identification: _____

[SEAL]

Notary Public

Printed Notary Name

My Commission Expires

DISCLOSURE AND AUTHORIZATION CONCERNING BACKGROUND REPORTS
(California)

This Disclosure and Authorization is provided to you in connection with a pending application of _____ [company name] (“Company”) for licensure or a permit to organize (“Application”) with a department of insurance in one or more states within the United States. Company desires to procure a consumer or investigative consumer report (or both) (“Background Reports”) regarding your background for review by any department of insurance in such states where Company is currently pursuing an Application, because you are either functioning as, or are seeking to function as, an officer, member of the board of directors or other management representative (“Affiant”) of Company or of any business entities affiliated with Company (“Term of Affiliation”) for which a Background Report is required by a department of insurance reviewing any Application. Background Reports will be obtained through _____ [name of CRA, address] (“CRA”). Background Reports requested pursuant to your authorization below may contain information bearing on your character, general reputation, personal characteristics, mode of living and credit standing. The purpose of such Background Reports will be to evaluate the Application and your background as it pertains thereto. To the extent required by law, the Background Reports procured under this Disclosure and Authorization will be maintained as confidential.

You may request more information about the nature and scope of Background Reports produced by any consumer reporting agency (“CRA”) by submitting a written request to Company. You should submit any such written request for more information, to _____ [company’s designated person, position, or department, address and phone].

Attached for your information is a “Summary of Your Rights Under the Fair Credit Reporting Act.” You will be provided with a copy of any Background Report procured by Company if you check the box below.

- By checking this box, I request a copy of any Background Report from any CRA retained by Company, at no extra charge.

Under section 1786.22 of the California Civil Code, you may view the file maintained on you by the CRA listed above. You may also obtain a copy of this file, upon submitting proper identification and paying the costs of duplication services, by appearing at the CRA in person or by mail; you may also receive a summary of the file by telephone. The CRA is required to have personnel available to explain your file to you and the CRA must explain to you any coded information appearing in your file. If you appear in person, you may be accompanied by one other person of your choosing, provided that person furnishes proper identification.

AUTHORIZATION: I am currently an Affiant of Company as defined above. I have read and understand the above Disclosure and by my signature below, I consent to the release of Background Reports to a department of insurance in any state where Company files or intends to file an Application, and to the Company, for purposes of investigating and reviewing such Application and my status as an Affiant. I authorize all third parties who are asked to provide information concerning me to cooperate fully by providing the requested information to CRA retained by Company for purposes of the foregoing Background Reports, except records that have been erased or expunged in accordance with law.

I understand that I may revoke this Authorization at any time by delivering a written revocation to Company and that Company will, in that event, forward such revocation promptly to any CRA that either prepared or is preparing Background Reports under this Disclosure and Authorization. In no event, however, will this authorization remain in effect beyond six (6) months following the date of my signature below.

A true copy of this Disclosure and Authorization shall be valid and have the same force and effect as the signed original.

(Printed Full Name and Residence Address)

(Signature) _____ (Date)

State of: _____ County of _____

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ___ day of _____, 20 by _____, and: who is personally known to me, or who produced the following identification: _____

[SEAL]

Notary Public

Printed Notary Name

My Commission Expires

Applicant Name: _____

NAIC No. _____

FEIN: _____

**Uniform Certificate of Authority Application (UCAA)
AFFIDAVIT OF LOST CERTIFICATE OF AUTHORITY**

STATE OF _____)

COUNTY OF _____)

BEFORE ME, the undersigned authority, on this day personally appeared _____,

who after being by me duly sworn upon oath deposes and states:

That he/she is the _____ of
(Position with Company)

_____,
(Name of Company)

_____, _____,
(City of Domicile) (State of Domicile)

and that he/she has custody and control of the minutes and other records of said corporation and that diligent search has been made for the current Certificate of Authority issued to said corporation by the _____.
(State Department of Insurance)

This said Certificate of Authority, issued in _____, cannot be located and is considered lost, misplaced or destroyed, and
(Year)

it is therefore impossible to surrender said Certificate to the _____.
(State Department of Insurance)

In the event that the original Certificate of Authority is located, the Company will immediately return the Certificate of Authority to the _____.
(State Department of Insurance)

DATED this _____ day of _____, 20 _____

(Signature)

STATE OF _____)

COUNTY OF _____)

This instrument was acknowledged before me **by means of physical presence or online notarization**, the above named _____, personally known to me, who, being duly sworn, deposes and says that he/she executed the above instrument and that the statements and answers contained therein, are true and correct to the best of his/her knowledge and belief.

Subscribed and sworn to before me this _____ day of _____, 20 _____

(Notary Public)

(SEAL) My commission expires:



September 25, 2020

Jane Barr
Company Licensing and RBC Manager
NAIC Central Office
1100 Walnut Street, Suite 1500
Kansas City, MO 64106-2197

VIA Electronic Mail: jbarr@naic.org

RE: Proposed Modifications to Forms 11 and 15 re: Electronic Notarization

Dear Ms. Barr:

The American Property Casualty Insurance Association (APCIA)¹ appreciates the opportunity to provide comments on the National Association of Insurance Commissioners (NAIC) National Treatment and Coordination (E) Working Group's discussions during its August 25, 2020, conference call regarding requested modifications to UCAA Form 11 (Biographical Affidavit) and Form 15 (Affidavit of Lost Certificate of Authority) to require selection of electronic notary or wet notary on each.

APCIA provided comments on the working group's last conference call and continue to have the same concerns shared then. While the completion of the planned database has understandably been delayed due to COVID-19, that does not alter the statements made prior to the pandemic that no further changes would be made to Form 11 until after that completion. Each modification to this form causes disruption.

In this instance, there does not appear to be anything on the current Form 11 or 15 that precludes electronic notarizations, nor does it appear that the proposed modifications provide any discernable benefit to regulators, or resolve any existing regulatory concerns or issues. Further, as some allowances for electronic notarizations may not be permanent, modifying the forms seem premature, if necessary at all.

Thank you for the opportunity to provide comments. APCIA looks forward to working with you on this issue going forward. If you have any questions or would like to discuss any of our comments further, please let us know.

¹ The American Property Casualty Insurance Association (APCIA) is the primary national trade association for home, auto, and business insurers. APCIA promotes and protects the viability of private competition for the benefit of consumers and insurers, with a legacy dating back 150 years. APCIA members represent all sizes, structures, and regions-protecting families, communities, and businesses in the U.S. and across the globe.



Respectfully Submitted,

A handwritten signature in black ink that reads "Lisa Brown" with a long horizontal flourish extending to the right.

Lisa Brown
Sr. Director, Market Conduct and Counsel

From: Sherion R. Page <Sherion.Page@fadv.com>

Sent: Friday, September 25, 2020 11:17:17 AM

To: jbarr@naic.com <jbarr@naic.com>

Cc: Lopez, Amy <alopez@naic.org>

Subject: Electronic Notary

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Jane,

Thanks for modifying the Biographical Affidavit Form 11 to accept an electronic notary as well as a wet notary option. The only question we have is how long should First Advantage, a third party verification agency, accept Biographical Affidavits that do not contain the updated electronic notary information?

Thanks,

Sherion R. Page | Legal Regulatory Compliance Manager

First Advantage | O: 407.335.9685 | F: 877.672.8007 | Sherion.Page@fadv.com

State	What is your state's preference for filing submission of this form?			Please explain your answer and/or provide a link.	Does your state utilize/rely on an NAIC database for storing contact change information?				Please explain your answer.	What internal delays has your state encountered in acknowledging contact updates filed via the electronic UCAA?			Please explain/provide suggestions for improvement.
	UCAA electronic submission	Hard copy submission	X state specific method		SBS	SERFF	NAIC I-Site, such as Co demo	Other		Short staffed	Information is manually updated into SBS, Sircon or X internal database	Other	
AK	X	X		As long as the forms are officer signed and legible, we don't worry much about how they come in	X				SOLAR		X		
AL	X			We accept both hard copy and UCAA electronic but the electronic is preferred. The ALDOI website provides a link to the NAIC UCAA site that contains the corporate amendment application.	X				The ALDOI uses SBS to store all company licensing information.		X		A single clerk is responsible for data entry in SBS relative to corporate amendments.
AR	X			Electronic submission is preferred, however, we do accept hardcopy submissions as well.	X				Store some in SBS however some contact information is shared with X Division's and stored elsewhere.	X			Mostly the fact that we've been X at times.
AR	X			We can accept either the hard copy or UCAA form. But we prefer the electronic submission.	X			X	We do put some contacts in SBS, and then we do have X divisions within our Department that has separate databases (for example our Statutory Deposits) then we forward the applicable new contact change to those divisions which need that information.	X			We have hired new administrative secretarial staff just recently in our Legal Division which processes these forms, so we should no longer have delays.
AZ	X				X		X				X		AZ does not maintain all of the contacts on the Form 14. Thus, the Form 14 filing may not be acknowledged since the requested contact change is not applicable. The ability for insurers to update the information themselves through iSite or SBS may be an efficient option. Best option may be insurers updating iSite and then SBS pulling that information into it directly. States may need to identify which contacts that it wants to maintain in SBS.

State	What is your state's preference for filing submission of this form?			Please explain your answer and/or provide a link.	Does your state utilize/rely on an NAIC database for storing contact change information?				Please explain your answer.	What internal delays has your state encountered in acknowledging contact updates filed via the electronic UCAA?			Please explain/provide suggestions for improvement.
	UCAA electronic submission	Hard copy submission	X state specific method		SBS	SERFF	NAIC I-Site, such as Co demo	Other		Short staffed	Information is manually updated into SBS, Sircon or X internal database	Other	
CO			X	The address types on the NAIC Form 14 do not match the address types in our SIRCON database and is generally unuseful for us. We also have no staff available to update address changes. This has to be an automated process or done by the Company. http://www.dora.state.co.us/pls/real/oat.main			X		I believe NAIC database information from ISITE is downloaded at least quarterly from the NAIC into SIRCON. I believe the entire address change process should be downloaded from the NAIC database or simply maintained in ISITE so the states do not have to manually update any address changes.	X	X		Have the NAIC ISITE system store all addresses for a company and have the company input the addresses and update any addresses or contacts.
CT	X			this is the method that we prefer although we will also accept a form 14 emailed to the Financial Regulation Division dedicated email on or a hard copy.			X				X		
DE	X				X				All UCAA FORM 14 info is manually entered into SBS by Company Admin Team		X		Volume based on staffing (at times) causes delays
GA		X	X	The GA Dept. of Insurance has a Company Portal where Company's can submit electronically a similar state specific form. Point of contact is Bruce Williamson.				X	Private Vendor (SIRCON). Currently looking at SBS.	X			
ID	X							X	Sircon for Company contacts		X		
IN	X						X		Form 14 is downloaded and stored electronically on state system. Only maintain 2 most current Form 14s. Do rely on NAIC I-Site to confirm current addresses of company if company failed to notify the department.		X		
KS	X						X		We currently use a database AS400 for company information.	X		X	Manually entered into data base; due to Covid-19, departments rotating working in the building.
LA	X	X		http://ldi.la.gov/industry/company-licensing/company-contact-changes	X				We use our state based system to store this information in RMS (Regulatory Management System).		X		
MD	X						X			X			

State	What is your state's preference for filing submission of this form?			Please explain your answer and/or provide a link.	Does your state utilize/rely on an NAIC database for storing contact change information?				Please explain your answer.	What internal delays has your state encountered in acknowledging contact updates filed via the electronic UCAA?			Please explain/provide suggestions for improvement.
	UCAA electronic submission	Hard copy submission	X state specific method		SBS	SERFF	NAIC I-Site, such as Co demo	Other		Short staffed	Information is manually updated into SBS, Sircon or X internal database	Other	
ME	X							X	No. None. We don't utilize any databases.			X	None. We have no internal delays at this time. We are processing and acknowledging contact updates timely.
MI	X							X	Michigan's internal database is updated with the updated address/contact information provided by the company.		X	X	Michigan experienced a backlog of the change of address notifications during the summer due to the high volume of updates that were received and X applications that were of higher priority, but that is no longer the case.
MT	X				X					X	X		
MT	X				X						X		
NC	X				X						X		
ND	X			We are moving to a paperless environment.	X						X		I would be great for companies to make the change in the UCAA system and somehow have those changes feed into SBS.
NJ	X				X						X		
NM	X			New Mexico is trying to have all applications including the Form 14 submitted electronically.	X		X				X		
OK	X				X						X		
OR	X				X	X	X			X	X		
PA	X							X	The Pennsylvania Insurance Department uses Sircon to store company contact information.		X		
RI	X				X						X		

State	What is your state's preference for filing submission of this form?			Please explain your answer and/or provide a link.	Does your state utilize/rely on an NAIC database for storing contact change information?				Please explain your answer.	What internal delays has your state encountered in acknowledging contact updates filed via the electronic UCAA?			Please explain/provide suggestions for improvement.
	UCAA electronic submission	Hard copy submission	X state specific method		SBS	SERFF	NAIC I-Site, such as Co demo	Other		Short staffed	Information is manually updated into SBS, Sircon or X internal database	Other	
TN	X				X	X			(SERFF stores contact info per-filing rather than per-insurer.)	X	X	X	My comments for many years now: - There are too many 'flavors' of contacts, and too many 'flavors' of addresses. - There should be automatic propagation of this stuff from either I-SITE or UCAA directly into SBS/SOLAR. Currently we're having to manually 'retype' info from one NAIC system into anX. :(- This stuff should be made available to states in an online lookup system, rather than via a 'form delivery system' as it currently is.
UT			X	Prefer to have it emailed directly to me.			X	X	I use both I-Site and Sircon (in Sircon I make the changes, add a note and put an actual copy in ImageRight). On I-Site I do often look at what is on the database under Company demographics.			X	The Form 14 itself is confusing to Companies and many don't match and/or exclude the departments we use for our State. I often have to explain what these departments mean of contact the Company to get X contact info under how we list the departments. This is time-consuming and problematic.
UT	X						X				X		
VT	X		X	We process contact change notification by receiving the UCAA submission form and/or notification by the company via letter or email.				X	No - we use SIRCON.		X		
WA	X							X	We maintain contact change information in our state insurer database.		X		Information is manually updated in our state internal database.
WI	X			WI preference for non domestic companies is X.	X						X		
WY			X	Use the Wyoming Insurance Department address change portal.				X	Use SIRCON		X		

Form 3 – Lines of Business

Question 1: When selecting “adding a line of business” can the Applicant Company select any line they wish to write in the foreign state?

Answer: The Applicant Company should select only the lines of authority that they are authorized to write in their domestic state.

Question 2: When requesting to delete a line of business in my domiciliary state, should I notify the foreign states if I’m licensed for the same line of business in the foreign state(s)?

Answer: Yes, you should notify the foreign state via a corporate amendment Delete Lines of Business application prior to deleting that line of business in your domiciliary state. You must maintain authorization in your domestic state for any line you are authorized to transact in a foreign state.

Question 3: Why are certain lines of business grayed out and with a strike through in the electronic application on the company input screen and the PDF?

Answer: If a state has amended their lines of business/statute then the company input screen and electronic PDF will only show the inactive lines of business as grayed out and with the strike through if the company amends the application. The PDF version of the form will now reflect the most current revision date of the form.

Applications in a submitted status that have not been amended will retain the lines of business and revision date on the form as of the date that they were originally submitted. Applications in a non-submitted status will always default to the most current active lines of business.

The UCAA [What’s New](#) document will provide a detailed summary of the changes that will include: the state; the lines of business that changed; the revision date of the form; and the date that the change was posted.

Question 4: Why are there differences between the electronic PDF of Form 3 and the PDF/Word file on the UCAA webpage?

Answer: The reason for this difference is currently the UCAA electronic application does not version, therefore, when a state makes a change to their lines of business and a company amends the application there will be a trackable version of the lines of business that changed from what was originally selected.

Question 5: Our companies expansion application was submitted over 2 years ago to several states, if we voluntarily withdrew the application from 3 of those states shortly after submission can we amend the application to reapply to the states now?

Answer: Applications can only be amended within two years of the original application submission date. Applications that have been withdrawn **should not** be amended. If an application has been withdrawn and the company wants to reapply to the state, a new application should be created.