To: Non-U.S. Insurer Contacts and U.S. Representatives

From: NAIC International Insurers Department

Re: NAIC *Quarterly Listing of Alien Insurers* – Application Filing Requirements

The following details outline the application requirements and fee to the NAIC International Insurers Department (IID) for application to the NAIC [*Quarterly Li**sting of Alien Insurers*](https://www.naic.org/prod_serv_alpha_listing.htm#quarterly_alien).

**Application Required Documentation**

* Cover Letter (Include the objective and any explanatory details)
* 2021 **IID**file – Annual Renewal and New Application Filing (Microsoft Access)
* 2021 **IID**file –TRIA Filing (Microsoft Access)
* Audited Financial Report
* Business Plan (See Attachment A)
* Actuarial Report, including Loss Reserves Certification (See Attachment B)
* Biographical Affidavits (All key officers/directors of the applicant plus affidavits for any officers/directors that provide direction of operations within any immediate, intermediate, or the ultimate holding company)
* Certificate of Registration
* Trust Agreement for Alien Excess or Surplus Lines Insurers (Executed prior to admittance)
* Any Other Supplemental Documents (e.g., Additional financial statements or Organizational Charts)

Submission of all required documentation and payment of the fee within [OPTins](https://www.optins.org/) must be made before an application is considered (**See** [IID Plan of Operation](https://content.naic.org/sites/default/files/inline-files/%283%29%202019%20FINAL%20IID%20Plan%20of%20Operation.pdf)***, Section I – Application Process***). The application fee is $10,124.

Questions may be directed to Andy Daleo, Senior P/C Financial Analysis Manager, [adaleo@naic.org](mailto:adaleo@naic.org).

1. Description of the applicant, including, but not limited to the following:
   1. History of the company formation (including any name changes and/or mergers and acquisitions)
   2. Description of holding company structure (include diagram of structure)
   3. Licensure and current standing with domiciliary regulator
   4. Discussion of Board and management
   5. Current business written (including details on lines of business written, geographical distribution, and specific programs written)
2. Discussion of proposed operations, including, but not limited to the following:
   1. Lines of business and types of coverages planned in the U.S. and any long-range plans to add additional lines of business
   2. Target market and geographic distribution
   3. Method(s) of business production (e.g., independent agents or managing general agencies)
   4. Three-year proforma that includes proposed premium by line of business, on a global and U.S. basis.
   5. Projections of the balance sheet and income statement results for the current and two successive years
3. Details on the applicant’s reinsurance program, including, but not limited to the following:
   1. Overall reinsurance strategy
   2. Details on reinsurance agreements, including, but not limited to the following:
      1. Attachment points for the types of business written
      2. Maximum limit of liability per type of business written
      3. Retention levels by line of business
4. Other considerations for inclusion
   1. Investment policy/philosophy
   2. Risk management and risk management goals
   3. Management of cybersecurity risk and climate risk
   4. Financial strength/credit Ratings

Provide an actuarial statement by an actuary, who is a member of a recognized professional actuarial body, setting forth his or her opinion relating to loss and loss adjustment expense reserves.

The Certification must include:

• A paragraph identifying the actuary;

• A paragraph describing the scope of the actuary's work; and

• A paragraph expressing the opinion.

Additional paragraphs may be needed to provide details on the qualification of the opinion or to explain any aspect of the financial statements. Provided below are examples of illustrative language:

**Identification of Actuary**

The opening paragraph of the Certification should indicate the actuary’s relationship to the insurer as follows:

* I, (name and title), am an employee of (name of insurer). I am a member of (name of recognized professional actuarial body) and meet its qualification standards to render this opinion.
* I, (name and title of consultant), am associated with (name of firm). I am a (name of recognized professional actuarial body) and meet its qualification standards. I was appointed by the Board of Directors of (name of insurer) on (date) to render this opinion.

**Scope**

The Scope paragraph should contain a sentence such as the following:

* I have examined the actuarial assumptions and methods used in determining reserves listed below, as shown in the Financial Statement of the Company as prepared for filing with regulatory officials, as of December 31, 20xx.

The paragraph should list items and amounts with respect to which the actuary is expressing an opinion. This list should include but not be limited to:

* Worldwide loss reserves for unpaid losses including incurred but not reported amounts
* Worldwide loss reserves for net unpaid loss adjustment expenses
* For liabilities arising from business written on or after January 1, 1998, either:
  1. The Company’s U.S. gross surplus lines liabilities including unpaid loss adjustment expenses and incurred but not reported amounts, or
  2. The Company’s direct non-admitted U.S. liabilities excluding liabilities arising from aviation, wet marine and transportation insurance and direct procurement placements (specify)

The choice of which of the liabilities calculations above should be opined upon should correspond to that used by the company in its determination of its appropriate Trust Fund Minimum Amount.

If the actuary has examined the underlying records and/or summaries, the scope paragraph should include a sentence such as:

* My examination included such review of the assumptions and methods used and of the underlying basic records and/or summaries and such tests and calculations as I considered necessary.

If the actuary has not examined the underlying records and/or summaries, but has relied upon those prepared by the company, the scope paragraph should include a sentence such as:

* I relied upon underlying records and/or summaries prepared by the responsible officers or employees of the company or group to which it belongs. In other respects, my examination included such review of the assumptions and methods used and such tests of the calculations as I considered necessary.
* I relied upon (name of firm) for the accuracy of the underlying records and/or summaries. In other respects, my examination included such review of the underlying assumptions and methods used and such texts of the calculations as I considered necessary.

**Opinion**

The opinion paragraph should include a sentence which at least covers:

* In my opinion, the amounts carried in the balance sheet on account of the items identified above

1. Meet the requirements of the insurance laws of (country of domicile).
2. Are computed in accordance with accepted actuarial standards and principles or similar language.
3. Make reasonable provision for all unpaid losses and loss expense obligations of the insurer under the terms of its contracts and agreements.

If there has been any material change in the assumptions and/or methods from those previously employed, that change should be described in the statement of opinion by including a statement such as:

* A material change in assumptions (and/or methods) was made during the past year, but such change accords with accepted loss reserving standards. A brief description of the change should follow.

The adoption of new issues or coverages requiring underlying assumptions which differ from assumptions used for prior issues or coverages is not a change in assumption within the meaning of this paragraph.

If the actuary is unable to form an opinion, they should refuse to issue a statement of opinion. If the opinion is adverse or qualified, the actuary should issue an adverse or qualified opinion explicitly stating the reason(s) for such opinion.