

Application Checklist for Certified Reinsurers

I. Applicant Information

Be sure to complete the checklist by appropriately marking the “Y or N” boxes as well as completing the “Reference and Supporting Document” section.

Company Name:
Alien / Federal ID#:
Address:
Primary Contact:
Domiciliary Jurisdiction / Supervisory authority:
Applicable Lines of Business:

The completed application must be submitted in a binder with a tab for each item in the checklist. Also submit a separate binder for the public copy of all information – clearly marked “Public.” Make sure no confidential items are included in the public copy.

II. Filing Requirements for Reinsurer Currently Certified by Another NAIC-Accredited Jurisdiction

If an applicant for certification has been certified as a reinsurer in an NAIC accredited jurisdiction, the New Hampshire Insurance Commissioner has the discretion to defer to that jurisdiction’s certification, and has the discretion to defer to the rating assigned by that jurisdiction; i.e., “passporting.”

- a. Has the applicant been certified by an NAIC accredited jurisdiction? (Yes or No) _____;
- b. If the answer to question II.a. is “No”, please proceed to Section III of this application.
- c. If the answer to question II.a. is “Yes”, the applicant shall provide the information required under Section II for consideration by the Commissioner:

Tab#	Citation to State Law / Regulation	Requirements	Y or N	Reference and Supporting Documents
1.	Ins 601.06(b)(3)a; Ins 601.06(c)(3)&(4)	Status of Domiciliary Jurisdiction: The applicant must be domiciled and licensed in a Qualified Jurisdiction, as determined by this state.		

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Tab#	Citation to State Law / Regulation	<u>Requirements</u>	<u>Y or N</u>	<u>Reference and Supporting Documents</u>
2.		<p>Verification of Certification Issued by an NAIC Accredited Jurisdiction: If the applicant is requesting that the Commissioner recognize the certification issued by another NAIC accredited jurisdiction (i.e., passporting), the applicant must provide a copy of the approval letter or other documentation provided to the applicant by such NAIC accredited jurisdiction. At a minimum, this letter must confirm the following information:</p> <ul style="list-style-type: none"> a. Name of state(s) in which applicant is currently certified. b. The rating and collateral percentage assigned with respect to the applicant. c. The effective and expiration dates with respect to the certification. d. The lines of business to which the certification is applicable. e. The applicant's commitment to comply with all requirements necessary to maintain certification. 		
3.		<p>Mechanism Used to Secure Obligations Incurred as a Certified Reinsurer: The applicant must specify the mechanism it will use to secure obligations incurred as a Certified Reinsurer. If the applicant intends to utilize a multi-beneficiary trust for this purpose, the applicant must submit (1) the form of the trust that will be used to secure obligations incurred as a certified reinsurer; and (2) the form of the trust that will be used to secure obligations incurred outside of the applicant's certified reinsurer status, i.e., the applicant's 100% collateralized trust (if applicable). The form of each trust is required to be submitted pursuant to state law in order to ensure that security for these obligations will be kept separate and to ensure that each trust meets the requirements of the state's Credit for Reinsurance statute and/or regulation.</p>		

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Tab#	Citation to State Law / Regulation	<u>Requirements</u>	<u>Y or N</u>	<u>Reference and Supporting Documents</u>
4.	Ins 601.06(b)(6)	Form CR-1: The applicant must provide New Hampshire's Form CR-1, which must be properly executed by an officer authorized to bind the applicant to the commitments set forth in the form.		
5.	N/A	Deposit/Fees: \$0	N/A	N/A
6.	Ins 601.06(b)(7)a-g Ins 601.06(b)(8)(e) Ins 601.12	Other Requirements: The applicant must: a. Commit to comply with other requirements deemed necessary for certification by the certifying state. b. Provide a statement that the applicant agrees to post 100% security upon the entry of an order of rehabilitation or conservation against the ceding insurer or its estate. c. Reinsurance contracts entered into or renewed shall include a proper funding clause, which requires the certified reinsurer to provide and maintain security in an amount sufficient to avoid the imposition of any financial statement penalty on the ceding insurer under this section for reinsurance ceded to the certified reinsurer.		
7.	Ins 601.06(b)(1)	Public Notice Requirement: The New Hampshire Insurance Commissioner is required to post notice on the insurance department's website promptly upon receipt of any application for certification, including instructions on how members of the public may respond to the application. The New Hampshire Insurance Commissioner may not take final action on the application until at least 30 days after posting such notice. The New Hampshire Insurance Commissioner will consider any comments received during the public notice period with respect to this application. **Company needs to submit public copy of application – make sure no confidential items are included.**		

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III. Filing Requirements for Full Application

- a. The applicant shall provide the information required under Section III if:
 - i. The applicant has not been certified by an NAIC accredited jurisdiction; or
 - ii. The Commissioner makes a determination not to recognize or defer to the certification issued by another NAIC accredited jurisdiction.

Tab#	Citation to State Law / Regulation	<u>Requirements</u>	<u>Y or N</u>	<u>Reference and Supporting Documents</u>
1.	Ins 601.06(b)(3)a Ins 601.06(b)(4)k Ins 601.06(b)(3)b Ins 601.06(c)(3)&(4) Ins 601.06(b)(6) Ins 601.06(b)(7)f	<p>Status of Domiciliary Jurisdiction / Proof of Licensure and Good Standing:</p> <p>The applicant must be domiciled and licensed in a Qualified Jurisdiction, as determined by this state. The applicant must be in good standing (or the jurisdiction's equivalent classification) and maintain capital and surplus or equivalent, of no less than \$250.0 million. The Commissioner will consider the following information with respect to the applicant's domiciliary jurisdiction:</p> <ol style="list-style-type: none"> a. Whether the domestic supervisory authority has been approved as a Qualified Jurisdiction in this state. b. Confirmation as to whether the domestic supervisory authority is included on the NAIC list of Qualified Jurisdictions. <p>The applicant must provide the following information:</p> <ol style="list-style-type: none"> a. A copy of the certificate of authority or license to transact insurance and/or reinsurance from the applicant's domiciliary jurisdiction. b. A certification from the applicant's domestic supervisory authority affirming that the applicant is in good standing (<u>or the jurisdiction's equivalent classification</u>) and maintains capital and surplus in excess of the jurisdiction's highest regulatory action level. 		

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2.		<p>Mechanism Used to Secure Obligations Incurred as a Certified Reinsurer:</p> <p>The applicant must specify the mechanism it will use to secure obligations incurred as a Certified Reinsurer. If the applicant intends to utilize a multi-beneficiary trust for this purpose, the applicant must submit (1) the form of the trust that will be used to secure obligations incurred as a certified reinsurer; and (2) the form of the trust that will be used to secure obligations incurred outside of the applicant's certified reinsurer status, i.e., the applicant's 100% collateralized trust (if applicable). The form of each trust is required to be submitted pursuant to state law in order to ensure that security for these obligations will be kept separate and to ensure that each trust meets the requirements of the state's Credit for Reinsurance statute and/or regulation.</p>		
3.	<p>Ins 601.06(b)(3)c</p> <p>Ins 601.06(b)(4)a</p>	<p>Financial Strength Ratings:</p> <p>The applicant must maintain interactive financial strength ratings from two or more acceptable rating agencies. The applicant must provide the following:</p> <ol style="list-style-type: none"> Confirm all interactive financial strength ratings currently maintained by the applicant. Copies of full rating agency reports with respect to all financial strength ratings currently maintained by the applicant, if available. If a full report is not available, the applicant must provide a letter from the applicable rating agency confirming its current financial strength rating. A description of any changes within the last three years in the financial strength rating from an approved rating agency. <p>NOTE: Acceptable rating agencies include A.M. Best, Fitch Ratings, Moody's Investor Services, Standard & Poor's, or any other National Recognized Statistical Rating Organization</p>		

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4.	Ins 601.06(b)(4)e Ins 601.06(b)(4)b Ins 601.06(b)(5)	<p>Disputed and/or Overdue Reinsurance Claims / Business Practices: The Commissioner must consider the applicant's business practices in dealing with its ceding insurers, including compliance with contractual terms and obligations. The applicant must provide the following:</p> <ul style="list-style-type: none"> a. A list and description of all reinsurance claims that are in dispute and/or more than 90 days past due regarding reinsurance assumed from U.S. domestic ceding insurers. b. A description of the applicant's business practices in dealing with U.S. ceding insurers, including its record of compliance with reinsurance contractual terms, and a statement that the applicant commits to comply with all contractual requirements applicable to reinsurance contracts with U.S. ceding insurers. 		
5.	Ins 601.06(b)(4)c and d	<p>Schedules for Reinsurance Assumed and Reinsurance Ceded: The applicant must provide the following:</p> <ul style="list-style-type: none"> a. For applicants domiciled in the U.S., provide the most recent NAIC Annual Statement Blank Schedule F (property/casualty) and/or Schedule S (life and health). b. For applicants domiciled outside the U.S. provide Form CR-F (property/casualty) and/or Form CR-S (life and health) completed in accordance with the instructions adopted by the NAIC. 		

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6.	Ins 601.06(b)(4)f	<p>Regulatory Actions: The applicant must provide a description of any regulatory actions taken against the applicant.</p> <ul style="list-style-type: none"> a. Include all regulatory actions, fines and penalties, regardless of the amount. b. Provide a description of any changes in with respect to the provisions of the applicant's domiciliary license. <p>Information required for the last three years for passporting purposes.</p>		

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7.	Ins 601.06(b)(3)b Ins 601.06(b)(4)g and h	<p>Financial/Regulatory Filings: The applicant must provide the following:</p> <ol style="list-style-type: none"> a. A copy of the most recent report of the independent auditor. b. Copies of the audited financial statements for the last three years. Financial statements must demonstrate that the applicant has minimum capital and surplus, or the equivalent, of at least \$250.0 million. If the applicant is an association, including incorporated and individual unincorporated underwriters, statements must demonstrate that the applicant has capital and surplus equivalents (net of liabilities) of at least \$250.0 million and a central fund containing a balance of at \$250.0 million. Please note the following requirements with respect to these financial statements: <ul style="list-style-type: none"> • Audited U.S. GAAP basis statements must be submitted if available. • Audited IFRS basis statements are acceptable with permission of the Commissioner, but must include an audited footnote reconciling equity and net income to a U.S. GAAP basis and certified by an officer of the applicant. • Upon the initial certification, the Commissioner may consider audited financial statements for the last three years as filed with the applicant's non-U.S. jurisdiction supervisor. If the Commissioner accepts such statements in the initial filing, the applicant must acknowledge and commit that future financial statement filings will include the appropriate reconciliation to a U.S. GAAP basis, as indicated above. c. A copy of the Actuarial Opinion and other regulatory filings, as filed with the applicant's domiciliary supervisor. <p><u>NOTE:</u> a stand-alone Actuarial Opinion is required for passporting purposes.</p>		

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8.	Ins 601.06(b)(4)j	Solvent Schemes of Arrangement: The applicant must provide: <ul style="list-style-type: none"> a. A description of any past, present or proposed future participation in any solvent scheme of arrangement, or similar procedure, involving U.S. ceding insurers. b. A statement that the applicant commits to notify the Commissioner of any future proposed participation in any solvent scheme of arrangement, or similar procedure, as soon as practicable. 		
9.	Ins 601.06(b)(6)	Form CR-1: The applicant must provide the New Hampshire Insurance Department's Form CR-1, which must be properly executed by an officer authorized to bind the applicant to the commitments set forth in the form.		

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Tab#	Citation to State Law / Regulation	Requirements	Y or N	Reference and Supporting Documents
10.	<p>Ins 601.06(b)(7)a-g</p> <p>Ins 601.06(a)(3)</p> <p>Ins 601.06(b)(4)i</p> <p>Ins 601.06(b)(8)(e)</p> <p>Ins 601.12</p>	<p>Other Requirements: The applicant must:</p> <p>a. Commit to comply with other requirements deemed necessary for certification by the certifying state.</p> <p>b. Provide a statement that the applicant agrees to post 100% security upon the entry of an order of rehabilitation or conservation against the ceding insurer or its estate.</p> <p>c. Discuss the liquidation priority of obligations to a ceding insurer in the certified reinsurer's domiciliary jurisdiction in the context of an insolvency proceeding.</p> <p>d. Reinsurance contracts entered into or renewed shall include a proper funding clause, which requires the certified reinsurer to provide and maintain security in an amount sufficient to avoid the imposition of any financial statement penalty on the ceding insurer under this section for reinsurance ceded to the certified reinsurer.</p> <p>e. Provide a copy of Supervisory College report if available.</p>		
11.	Ins 601.06(b)(1)	<p>Public Notice Requirement: The New Hampshire Insurance Commissioner is required to post notice on the insurance department's website promptly upon receipt of any application for certification, including instructions on how members of the public may respond to the application. The New Hampshire Insurance Commissioner may not take final action on the application until at least 30 days after posting such notice. The New Hampshire Insurance Commissioner will consider any comments received during the public notice period with respect to this application. **Company needs to submit public copy of application – make sure no confidential items are included.**</p>		