



Florida Office of Insurance Regulation

APPLICATION FOR TRUSTEED REINSURER STATUS

This packet is designed to assist individuals in preparing the application in accordance with Florida Statutes and Rules and to facilitate expeditious processing of the application by the Florida Office of Insurance Regulation ("Office").

Please submit all documents required by this packet in English and in searchable PDF format, unless otherwise indicated or required by Florida Statutes.

If this packet requires submission of forms or rates, upon receipt of an email notification of acceptance of the application, the Applicant is directed to return to the Industry Portal <https://www.floir.com/iportal> and select "Insurance Regulation Filing System (IRFS)" to begin the submission of forms and/or rates.

In order for a submission to be considered a complete application, all required information must be included in the filing, including the completed application checklist.

The completed application packet must be submitted to the Office by selecting iApply – Online Company Admissions at the following link:

<https://www.floir.com/iportal>

Any questions concerning this application packet or iApply for Life and Health applicants may be directed to lhappcoord@floir.com. Property and Casualty applicants are directed to pcappcoord@floir.com.

APPLICATION FOR TRUSTEED REINSURER STATUS

INSTRUCTIONS

SECTION I – APPLICATION

Section I-1 Checklist and Application Certification

Applicants for Trusteed Reinsurer Status in Florida must submit the Checklist (pages 6-8) and Application Certification (page 12) included in this form, in addition to all other documentation and forms required herein. Applicant should list the lines of business (and respective code numbers) the company intends to reinsure in the state of Florida on the Application Certification.

Section I-2 Applicant Groups

Applicants that are groups including incorporated and individual unincorporated underwriters are subject to the requirements of Section 624.610(3)(c)3.b., Florida Statutes.

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SECTION II - LEGAL

Section II-1 Authorization Letter

Provide a letter of authorization for any person, other than Applicant's personnel, who is authorized to represent the Applicant before the Office in this matter. This letter should be dated within the last year.

Section II-2 Service of Process Consent & Agreement

Provide an executed Form OIR-C1-1524, "Uniform Consent to Service of Process."

Section II-3 Trust Agreement

Provide a copy of the trust agreement and all amendments certified by the insurance regulator of the state of domicile of the trust or the insurance regulatory of another state who, pursuant to the terms of the trust agreement, has accepted principal regulatory oversight of the trust.

Section II-4 Trust Agreement Checklist

Complete the checklist in regard to the trust agreement (pages 9-11). Any NO answer on the checklist indicates that the trust agreement does not meet the requirements of the Florida Statutes or Florida Administrative Code.

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SECTION III - FINANCIAL

Section III-1 Financial Statements

Submit a copy of the latest financial statements consisting of the most recent Annual Statement of the trust prepared using the form approved by the National Association of Insurance Commissioners (“NAIC”) for financial reporting which is signed and notarized as required by such form and including all supporting documents required to be included or filed in accordance with the NAIC Annual Statement Instructions.

Section III-2 Trustee Statement

Submit a statement from the trustee of the trust certifying the total amount of assets in the trust; a listing of all assets in the trust in sufficient detail to determine if these assets are of a quality substantially similar to that required in Part II of Chapter 625, Florida Statutes; and certification that the trust will not expire prior to the following December 31st.

Note that the amount in the trust must meet the requirements of Section 624.610(3)(c)3.a. Florida Statutes, which requires an amount not less than the assuming insurer’s liabilities attributable to reinsurance ceded by U.S. domiciled insurers, and in addition, a trusted surplus of not less than \$20,000,000, USD. Such statement shall be the most recent available but in no event prior to December 31st of the preceding year.

Section III-3 Letter from Insurance Regulator with Regulatory Oversight

Provide a letter from the insurance regulator of the state of domicile or of the insurance regulator that has accepted principal regulatory oversight of the trust stating that the trust is authorized and showing the kinds of reinsurance or lines of business that the reinsurer is authorized to transact.

Section III-4 Certificate of Assuming Insurer to Submit to Examination

Submit form OIR-C1-1469, “Certificate of Assuming Insurer to Submit to Examination and Bear the Cost of Examination.” To aid the Office in determining if an examination of the trust or reinsurer is needed, please include a copy of the latest independent audit report, quarterly statement, and state examination report, or a statement that these do not exist.

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SECTION IV - MANAGEMENT

Section IV-1 Management Information

Submit Form OIR-C1-2221, "Management Information Form," fully describing the management, ownership, and control, direct or indirect, of the insurer up to and including any 10 percent or greater interest holders of the ultimate parent. A Management Information Form should be submitted for each entity in the ownership chain.

Forms should contain the First, Middle, and Last name of listed individuals. Please state if a middle name does not exist.

Section IV-2 Biographical Affidavits as to Officers, Directors, and Shareholders

Provide a copy of Form OIR-C1-1423, the "National Association of Insurance Commissioners Biographical Affidavit" (NAIC Form 11) for each individual listed in Section IV-1. Applicant may omit individuals listed for those entities in the organizational structure between the immediate parent and the ultimate parent. Please note that if an individual has a Biographical Affidavit with an associated background report on file with the Office, and the Biographical Affidavit was signed and notarized within 2 years of the date of the Application being filed, a Biographical Affidavit and associated background report need not be submitted for that individual.

All questions must be answered. All "Yes" answers must be explained.

Each Biographical Affidavit must be signed and notarized.

The affiant's social security number must be submitted to the Office. Section 119.071(5), Florida Statutes, gives authority for an agency to collect social security numbers if imperative for the performance of that agency's duties and responsibilities as prescribed by law. Limited collection of social security numbers is imperative for the Office to insure that the owners, management, officers, and directors of any entity regulated by the Office are competent and trustworthy, possess financial standing and business experience, and have not been found guilty of, or not pleaded guilty or nolo contendere to, any felony or crime punishable by imprisonment of one year.

However, pursuant to Section 119.071(5), Florida Statutes, social security numbers collected by an agency are confidential and exempt from Section 119.07(1), Florida Statutes, and Section 24(a), Art. I of the State Constitution and must be segregated on a separate page. Therefore, please include the affiant's name and social security number on the separate page marked CONFIDENTIAL and provided in this packet and attach that page to the NAIC Biographical Affidavit (NAIC Form 11) that is also included in this packet.

OIR-C1-1466
Rev.: 9/21
69O-144.002

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CHECKLIST

Applicant Name: _____

Home Office Address: _____
(Street Address) (City)

(State/Province) (Country) (Zip Code or Equivalent)

Phone Number: _____

Please complete and check off all items prior to submission. Applicant should provide an explanation for any items that have not been checked off and submitted.

SECTION I - APPLICATION

- 1. Checklist (pages 6-8)
- 2. Application Certification (page 12)

SECTION II – LEGAL DOCUMENTS

- 1. Authorization letter, if applicable
- 2. Uniform Consent to Service of Process (Form OIR-C1-1524)
- 3. Trust agreement
 - a. Includes all amendments
 - b. Certified by the insurance regulator having oversight of the Trust
- 4. Trust Agreement Checklist (pages 9-11)

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CHECKLIST

Applicant Name: _____

SECTION III – FINANCIAL

- 1. Financial Statements**
 - a. Most recent Annual Statement for the trust on NAIC forms**
 - i. Signed**
 - ii. Notarized**
 - iii. Includes all supporting documents as per NAIC instructions**

- 2. Trustee statement**
 - a. Certifies the total amount of assets in the trust in compliance with Section 624.610(3)(c)3.a., Florida Statutes**
 - b. Listing of all trust assets as per the instructions in Section III-2**
 - c. Certifies that the trust will not expire before the following December 31st**
 - d. Statement is the most recent, and not prior to December 31st of preceding year**

- 3. Letter from insurance regulator with regulatory oversight**
 - a. Indicates that the trust is authorized**
 - b. Shows kind of reinsurance or lines of business trust is authorized to transact**

- 4. Certificate of Assuming Insurer to Submit to Examination (OIR-C1-1469)**
 - a. Latest independent audit report; and**
 - b. Quarterly statement; and**
 - c. State examination report; or**
 - d. Statement that the documents in items a.-c. do not exist**

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CHECKLIST

Applicant Name: _____

SECTION IV – MANAGEMENT

- 1. Management Information Forms (Form OIR-C1-2221) submitted for all required entities
- 2. Biographical Affidavits (Form OIR-C1-1423) submitted for all required individuals
 - a. All information completed (no blanks)
 - b. "Yes" answers explained
 - c. Signed
 - d. Notarized

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TRUST AGREEMENT FOR TRUSTEED REINSURER

Reinsurer Name: _____

Grantor of the Trust: _____

Trust Dated: _____

1. Is the trustee, as evidenced in the trust agreement, a bank or trust company that is subject to supervision by any state of the U.S. or that is a member of the Federal Reserve System?

Yes: _____ No: _____

2. Does the trust agreement create a trust account into which the assets shall be deposited to provide security for ceding insurers in order that credit may be allowed for the reinsurance ceded?

Yes: _____ No: _____ Section where located _____

3. Does the trust agreement provide for the following:

a) The trust agreement provides for the payment of valid claims for business written in the U.S.

Yes: _____ No: _____ Section where located _____

b) Contested claims shall be valid and enforceable out of funds in trust to the extent remaining unsatisfied thirty (30) days after entry of the final order of any court of competent jurisdiction in the U.S.

Yes: _____ No: _____ Section where located _____

c) Legal title to the assets of the trust shall be vested in the trustee (bank or trust company) for the benefit of the grantor's (reinsurer) U.S. ceding insurers, their assigns, and successors in interest.

Yes: _____ No: _____ Section where located _____

d) The trust shall be subject to examination by the Office.

Yes: _____ No: _____ Section where located _____

e) The trust shall remain in effect for as long as the assuming insurer, or any member or former member of a group of insurers, shall have outstanding obligations under reinsurance agreements subject to the trust.

Yes: _____ No: _____ Section where located _____

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- f) No later than February 28 of each year, the trustee of the trust shall report to the Office of Insurance Regulation in writing setting forth the balance in the trust and listing the trust's investments at the preceding year-end, and shall certify the date of termination of the trust, if so planned, or certify that the trust shall not expire prior to the following December 31.

Yes: ___ No: ___ Section where located _____

- g) Trustee shall notify in writing the domiciliary and non-domiciliary insurance regulators within 10 days of receipt of a claim that would reduce the trust to an amount below the minimum.

Yes: ___ No: ___ Section where located _____

- h) If the trust is inadequate because it contains an amount less than the amount required by the Office of Insurance Regulation or, if the grantor (reinsurer) of the trust has been declared insolvent or placed into receivership, rehabilitation, liquidation, or similar proceedings under the laws of its state or country of domicile, the trustee (bank or trust company) shall comply with an order of the insurance regulator with regulatory oversight over the trust or with an order of a court of competent jurisdiction directing the trustee (bank or trust company) to transfer to the insurance regulator with regulatory oversight over the trust, or other designated receiver all of the assets of the trust.

Yes: ___ No: ___ Section where located _____

- i) The assets shall be distributed by, and claims shall be filed with and valued by the insurance regulator with regulatory oversight over the trust in accordance with the laws of the state in which the trust is domiciled that are applicable to the liquidation of domestic insurance companies.

Yes: ___ No: ___ Section where located _____

- j) If the insurance regulator with regulatory oversight over the trust determines that the assets of the trust account or any part thereof are not necessary to satisfy the claims of the U.S. beneficiaries of the trust, the insurance regulator with regulatory oversight over the trust shall return the assets, or any part thereof, to the trustee (bank or trust company) for distribution in accordance with the trust agreement.

Yes: ___ No: ___ Section where located _____

- k) The grantor agrees to waive any rights otherwise available to it under United States law that is inconsistent with the provisions outlined in (h), (i), and (j) above.

Yes: ___ No: ___ Section where located _____

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l) Are the trust assets required to be comprised and maintained with cash or securities of a quality substantially similar to those which will qualify as admitted assets under Part II of Chapter 625 Florida Statutes?

Yes: _____ No: _____ Section where located _____

m) Trust agreement contains a condition that any amendments to the trust approved by the insurance regulator having jurisdiction shall be reported in a manner that the Florida Office of Insurance Regulation will receive notice of any amendment no later than 30-days after such approval. The Florida Office of Insurance Regulation does not have to be specifically named, but the trust provision must inclusive enough that such notice is assured.

Yes: _____ No: _____ Section where located _____

Name of Person preparing this form _____

Title _____

Date _____

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APPLICATION CERTIFICATION

The below certification must be executed by two officers of applicant, one of whom must be the President or Chief Financial Officer, and the other the Secretary.

The undersigned state that they are officers having personal knowledge of the application submitted to the Florida Office of Insurance Regulation in connection with the intention of _____ (“Applicant”) to seek status as an Trusteed Reinsurer in Florida, that they have read said application, and that they know the contents thereof and verify that the items indicated in the application checklist are true and complete to the best of their knowledge and have been submitted with the application. The undersigned represent that they have the authority to bind the Applicant, and that by their signatures on the instrument, the Applicant on behalf of which they have acted executed the instrument.

I understand that whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his or her official duties is guilty of a misdemeanor of the second degree, pursuant to Section 837.06, Florida Statutes.

By: _____ **Lines of Business** **Code Number**

Print Name: _____

Title: _____

Date: _____

By: _____

Print Name: _____

Title: _____

Date: _____

*Other officers will be accepted only if the applicant does not have these positions.

OIR-C1-1466
Rev.: 9/21
69O-144.002

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FLORIDA OFFICE OF INSURANCE REGULATION LINES OF BUSINESS BY COMPANY CODES

R010 Reinsurance - Fire
R020 Reinsurance - Allied Lines
R030 Reinsurance - Farmowners Multi-Peril
R040 Reinsurance - Homeowners Multi-Peril
R050 Reinsurance - Commercial Multi-Peril
R080 Reinsurance - Ocean Marine
R090 Reinsurance - Inland Marine
R100 Reinsurance - Financial Guaranty
R106 Reinsurance - Auto Warranties
R110 Reinsurance - Medical Malpractice
R120 Reinsurance - Earthquake
R160 Reinsurance - Workers' Compensation
R170 Reinsurance - Other Liability
R173 Reinsurance - Prepaid Legal
R192 Reinsurance - Private Passenger Auto Liability
R194 Reinsurance - Commercial Auto Liability
R211 Reinsurance - Private Passenger Auto Physical Damage
R212 Reinsurance - Commercial Auto Physical Damage
R220 Reinsurance - Aircraft
R230 Reinsurance - Fidelity
R240 Reinsurance - Surety
R245 Reinsurance - Bail Bonds
R250 Reinsurance - Glass
R260 Reinsurance - Burglary and Theft
R270 Reinsurance - Boiler and Machinery
R280 Reinsurance - Credit
R285 Reinsurance - Title
R290 Reinsurance - Livestock
R300 Reinsurance - Industrial Fire
R310 Reinsurance - Mortgage Guaranty
R400 Reinsurance - Ordinary Life and Annuity
R405 Reinsurance - Individual/Group Variable Annuities
R410 Reinsurance - Group Life and Annuity
R420 Reinsurance - Variable Life
**R425 Reinsurance - Fraternal Life
**R430 Reinsurance - Fraternal Health
R440 Reinsurance - Credit Life
R441 Reinsurance - Credit Disability
R450 Reinsurance - Accident and Health
R520 Reinsurance - Industrial Extended Coverage
R540 Reinsurance - Mobile Home Multi Peril
R550 Reinsurance - Mobile Home Physical Damage
R570 Reinsurance - Crop Hail
R607 Reinsurance - Home Warranties
R608 Reinsurance - Service Warranties
R610 Reinsurance - Other Warranty
R620 Reinsurance - Miscellaneous Casualty

**A Fraternal Benefit Society can cede business but can only reinsure another society as part of a merger or consolidation.
[632.614, Florida Statutes]

OIR-C1-1466
Rev.: 9/21
690-144.002