

3901-3-03

Transactions subject to prior notice - notice filing.

(A) Purpose

The purpose of this rule is to establish the form and content an insurer must use in order to give notice of a proposed transaction under section 3901.341 of the Revised Code.

(B) Authority

This rule is issued pursuant to the authority vested in the superintendent under section 3901.041 and section 3901.341 of the Revised Code.

(C) Definitions

Terms found in this regulation are used as defined in the Insurance Holding Company System Act, section 3901.32 et. seq. of the Revised Code, and rule 3901-3-02 of the Administrative Code.

(D) Written notice

In giving notice to the superintendent of a proposed transaction pursuant to section 3901.341 of the Revised Code, the insurer shall use the form set forth in this paragraph.

Form D

Prior notice of a transaction

Filed with the insurance department of the state of Ohio

By

Name of registrant

On behalf of the following insurance companies

Name

Address

Date: _____, 20__

Name, title, address and telephone number of individual to whom notices and correspondence concerning this statement should be addressed:

Item 1. Identity of parties to transaction

Furnish the following information for each of the parties to the transaction:

- (a) Name.
- (b) Home office address.
- (c) Principal executive office address.
- (d) The organizational structure, e.g. corporation, partnership, individual, trust, etc.
- (e) A description of the nature of the parties' business operations.
- (f) Relationship to the insurer of other parties to the transaction, if any, including any ownership or debtor/creditor interest by any other parties to the transaction in the insurer, or by the insurer in the affiliated parties.
- (g) Where the transaction is with a non-affiliate, the name(s) of the affiliate(s) which will receive, in whole or in substantial part, the proceeds of the transaction.

Item 2. Description of the transaction

Furnish the following information in electronic form prescribed by the superintendent for each transaction for which notice is being given:

- (a) A statement as to whether notice is being given under divisions (A)(1), (A)(2), (A)(3), (A)(4), or (A)(5) of section 3901.341 of the Revised Code.
- (b) A statement of the nature of the transaction and a complete copy of the agreement to include amendments if applicable.
- (c) The proposed effective date of the transaction.

Item 3. Sales, purchases, exchanges, loans, extensions of credit, guarantees or investments

If notice is being given under division (A)(1) of section 3901.341 of the Revised Code, furnish a brief description of the amount and source of funds, securities, property or other consideration for the sale, purchase, exchange of assets, loan, extension of credit, guarantee, or investment. If any securities are involved in the transaction, provide a description of the terms of the securities.

If consideration for the transaction is other than cash describe the consideration, its cost, and fair market value, and explain the basis for evaluation.

If the transaction involves a loan, extension of credit or a guarantee, furnish a description of the maximum amount which the insurer will be obligated to make available under such loan, extension of credit or guarantee, the date on which the credit or guarantee will terminate, and any provisions for the accrual of or deferral of interest.

If the transaction involves an investment, guarantee or other arrangement, state the time period during which the investment, guarantee or other arrangement will remain in effect, together with any provisions for extensions or renewals of such investments, guarantees or arrangements. Furnish a brief statement as to the effect of the transaction upon the insurer's surplus.

No notice need be given if the maximum amount which can at any time be outstanding or for which the insurer can be legally obligated under the loan, extension of credit or guarantee is less than, (a) in the case of non-life insurers, the lesser of three percent of the insurer's admitted assets or twenty-five percent of surplus as regards policyholders or, (b) in the case of life insurers, three percent of the insurer's admitted assets, each as of the thirty-first day of December next preceding.

Item 4. Loans or extensions of credit to a non-affiliate

If the transaction involves a loan or extension of credit to any person who is not an affiliate, furnish a brief description of the agreement or understanding whereby the proceeds of the proposed transaction, in whole or in substantial part, are to be used to make loans or extensions of credit to, to purchase the assets of, or to make investments in, any affiliate of the insurer making such loans or extensions of credit, and specify in what manner the proceeds are to be used to loan to, extend credit to, purchase assets of or make investments in any affiliate. Describe the amount and source of funds, securities, property or other consideration for the loan or extension of credit and, if the transaction is one involving consideration other than cash, a description of its cost and its fair market value together with an explanation of the basis for evaluation. Furnish a brief statement as to the effect of the transaction upon the insurer's surplus.

No notice need be given if the loan or extension of credit is one which equals less than, in the case of non-life insurers, the lesser of three percent of the insurer's admitted assets or twenty-five percent of surplus as regards policyholders or, with respect to life insurers, three percent of the insurer's admitted assets, each as of the thirty-first day of December next preceding.

Item 5. Reinsurance

If the transaction is a reinsurance agreement or modification thereto, as described by division (A)(3) of section 3901.341 of the Revised Code, furnish a description of the known and/or estimated amount of liability to be ceded and/or assumed in each calendar year, the period of time during which the agreement will be in effect, and a statement whether an agreement or understanding exists between the insurer and non-affiliate to the effect that any portion of the assets constituting the consideration for the agreement will be transferred to one or more of the insurer's affiliates. Furnish a brief description of the consideration involved in the transaction, and a brief statement as to the effect of the transaction upon the insurer's surplus.

No notice need be given for reinsurance agreements or modifications thereto if the reinsurance premium or a change in the insurer's liabilities in connection with the reinsurance agreement or modification thereto is less than five percent of the insurer's surplus as regards policyholders, as of the thirty-first day of December next preceding.

Item 6. Management agreements, service agreements, cost-sharing arrangements and tax allocation agreements.

For management and service agreements, furnish:

- (a) A brief description of the managerial responsibilities, or services to be performed.
- (b) A brief description of the agreement, including a statement of its duration, together with brief descriptions of the basis for compensation and the terms under which payment or compensation is to be made.

For cost-sharing arrangements, furnish:

- (a) A brief description of the purpose of the agreement.
- (b) A description of the period of time during which the agreement is to be in effect.
- (c) A brief description of each party's expenses or costs covered by the agreement.

(d) A brief description of the accounting basis to be used in calculating each party's costs under the agreement.

Item 7. Signature and certification

Signature and certifications required as follows:

Signature

Pursuant to the requirements of section 3901.341 of the Revised Code, _____ has caused this notice to be duly signed on its behalf in the city of _____ and state of _____ on the _____ day of _____, 20____.

(Seal)

Name of applicant

By _____

(Name) (Title)

Attest:

(Signature of officer)

(Title)

Certification

The undersigned deposes and says that (s)he has duly executed the attached notice dated _____, 20____, for and on behalf of _____(Name of applicant); that (s)he is the _____ (Title of officer) of such company and that (s)he is authorized to execute and file such instrument. Deponent further says the (s)he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his/her knowledge, information and belief.

(Signature) _____

(Type or print name beneath) _____

(E) Severability

If any section, term or provision of this rule is adjudged invalid for any reason, the judgement shall not affect, impair or invalidate any other section, term or provision of this rule, but the remaining sections, terms and provisions shall be and continue in full force and effect.

R.C. 119.032 review dates: 09/02/2010 and 08/31/2015

CERTIFIED ELECTRONICALLY

Certification

09/02/2010

Date

Promulgated Under: 119.03
Statutory Authority: 3901.041, 3901.341
Rule Amplifies: 3901.341
Prior Effective Dates: 11/9/1991, 4/13/2006