



# STATE OF CONNECTICUT

## INSURANCE DEPARTMENT

### PROCEDURE FOR RECOGNITION AS AN ACCREDITED REINSURER

Credit for reinsurance shall be allowed a domestic ceding insurer as either an asset or deduction from a liability in all statutory financial statements filed with the Commissioner pursuant to Section 38a-53, of the Connecticut General Statutes when the assuming insurer is accredited as a reinsurer in this state.

#### I. Pursuant to Section 38a-85(c), of the Connecticut General Statutes:

The procedure for recognition as an accredited reinsurer in accordance with Section 38a-88-2, of the Connecticut Insurance Department Regulations is as follows:

1. An applicant desiring recognition as an accredited reinsurer shall submit its request, including the reasons and anticipated sources of business to the Commissioner in writing.
2. The following items must also be filed:
  - (a) A properly executed Form AR-1 affixed with corporate seal or with notarized signature, as evidence of the applicant's submission to this state's jurisdiction and authority to examine the applicant's books and records.
  - (b) A Connecticut power of attorney form executed without alteration and properly sealed and/or notarized, appointing the Commissioner as agent for service of legal process.
  - (c) A certified copy of a current letter, or current certificate of authority or of compliance, as evidence that the applicant is licensed to transact insurance or reinsurance in at least one state, or, in the case of a United States branch of an alien assuming insurer, is entered through and licensed to transact insurance or reinsurance in at least one state.
  - (d) A certified copy of the applicant's most recent annual statement as filed with the insurance department of its domiciliary state, or in the case of an alien assuming insurer, with the state through which it is entered and in which it is licensed to transact insurance or reinsurance.
  - (e) A copy of the applicant's most recent audited financial statement.
3. An applicant that maintains surplus as regards policyholders of not less than \$20,000,000 will be recognized as accredited, provided its accreditation has not been denied within 90 days of its submission, or in the case of an applicant with surplus as regards policyholders of less than \$20,000,000 provided its accreditation has been approved by the Commissioner.
4. An invoice covering the processing of the company's certificate of accreditation will be sent to it after the Commissioner has completed his/her review of the company's application to become an accredited reinsurer in Connecticut. The company's certificate of accreditation will be sent upon receipt of the power of attorney form and payment of the processing fee.

## **II. Pursuant to Section 38a-85(e), of the Connecticut General Statutes:**

The procedure for recognition as an accredited reinsurer in accordance with Section 38a-88-4, of the Connecticut Insurance Department Regulations is as follows:

1. An applicant desiring recognition as an accredited reinsurer shall submit its request, including the reasons and anticipated sources of business to the Commissioner in writing.
2. The following items must also be filed:
  - (a) A properly executed Form AR-1 affixed with corporate seal or with notarized signature, as evidence of the applicant's submission to this state's jurisdiction and authority to examine the applicant's books and records.
  - (b) A Connecticut power of attorney form executed without alteration and properly sealed and/or notarized, appointing the Commissioner as agent for service of legal process.
  - (c) A certified copy of the trust and any amendments to the trust that have been approved and certified by (1) the insurance regulatory official of the state of domicile of the trust, or (2) the insurance regulatory official of another state who has, pursuant to the terms of the trust instrument accepted principal regulatory oversight of the trust. The trust document must comply with the requirements of Connecticut General Statute Section 38a-85(e) and Connecticut Insurance Regulations Section 38a-88-4.
  - (d) A certified copy of the applicant's most recent annual statement as filed with (1) the insurance regulatory official of the state of domicile of the trust or (2) the insurance regulatory official of another state who has, pursuant to the terms of the trust instrument accepted principal regulatory oversight of the trust.
  - (e) A copy of the applicant's most recent audited financial statement.
3. An invoice covering the processing of the company's certificate of accreditation will be sent to it after the Commissioner has completed his/her review of the company's application to become an accredited reinsurer in Connecticut. The company's certificate of accreditation will be sent upon receipt of the power of attorney form and payment of the processing fee.

## **III. Revocation of accreditation:**

If the Commissioner determines that an assuming insurer has failed to meet or maintain any of the aforementioned requirements, he may, upon written notice and hearing, revoke the accreditation. No credit shall be allowed a domestic ceding insurer with respect to reinsurance ceded if the assuming insurer's accreditation has been denied or revoked by the Commissioner.