

Insights on Form B, C, and D Filings

February 28, 2023

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Housekeeping

- Continuing Education
 - 1 hour of Producer Continuing Education
 - 1 hour of Continuing Legal Education
 - Activity Number: 244382
- If you need the PowerPoint or any help during the presentation,
 - Message AJ Raaska (AJ.Raaska@Nebraska.gov)
 - She will be monitoring the chat
- Certificates of completion will be emailed to participants
- Stay For The Poll At The End

Michael Anderson

- Michael Anderson is a staff attorney with the Nebraska Department of Insurance and has been with the Department for approximately three years.
- Previously, Michael served as an Assistant Attorney General with the State of Missouri in the Medicaid Fraud Control Unit, and as an assistant prosecuting attorney in Pemiscot County, Missouri.
- Michael graduated from Creighton University in 2011 and from Creighton University School of Law in 2014.



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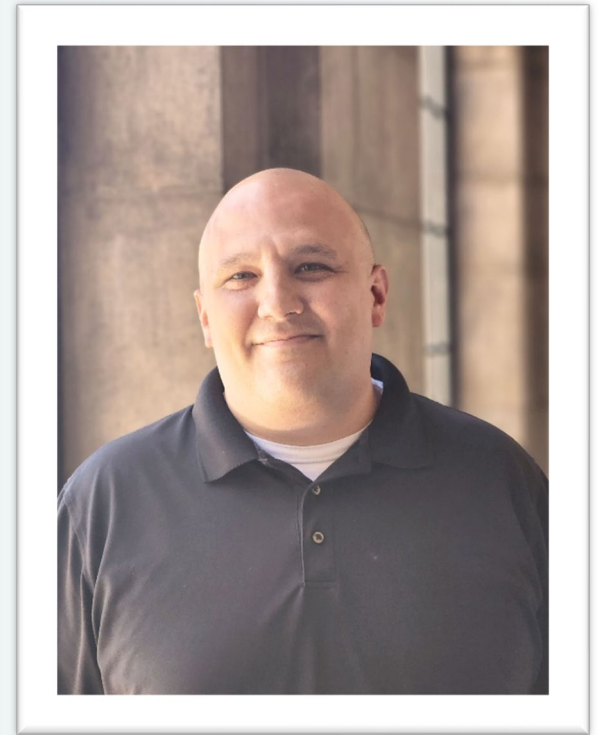
Jill Gleason

- Jill Gleason is the Assistant Chief Examiner of the Holding Company area and has been with the Department for 16 years.



Chris Amory

- Chris is responsible for the review and tracking of all Holding Company Registration filings (Forms B, C, D, and F), as well as, Accredited, Trusted, and Certified reinsurer filings.
- Chris has been with the Department for 15 years and his current position for 5 years.



Disclaimer

- Every filing is evaluated on a case-by-case basis, and the information contained in this presentation is intended to be purely informational and may or may not apply in any specific circumstance.
- Upon receipt of a filing, the first concern is to look for completeness of the filing.
- If you have a question concerning a specific filing or situation, please contact a member of the Department and we would be more than happy to discuss the situation.

Agenda

- Holding Company Regulatory Authority
- Form B & C Filings
 - Q&A Regarding Form B&C Filings
- Form D
 - Q&A Regarding Form D
- General Q&A

Holding Company Regulatory Authority

- Insurance Holding Company System Act (Holding Company Act)
 - Article 21 of Nebraska Revised Statutes
 - 44-2120 – 44-2155
- Nebraska Rules and Regulations (Title 210)
 - Chapter 24 – Holding Companies
- Statement of Statutory Accounting Principles 25
 - Affiliates and Other Related Parties

Form B & C

- What is a Form B?
 - Annual registration statement
- Who files?
 - Every insurer authorized to do business in NE that is part of a holding company
- When?
 - Annual registration statements are due May 1st
 - \$200 due annually on May 1st
 - Form B Amendments should be filed 15 days after the end of the month of any changes
- Where to file?
 - The Department's SFTP portal.
 - Each domestic company should have people who have access to upload.

Form B & C

FORM B
INSURANCE HOLDING COMPANY SYSTEM
REGISTRATION STATEMENT

Filed with the Insurance Department of the State of _____

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:

Form B & C Best Practices

- Org. chart – include percentages of ownership
- Bio. – can refer to bio on file if there and note any changes, but must address if they have been convicted any crimes
- Item 5 – reminder to include:
 - Nature and purpose of transaction
 - Nature and amounts of any payments or transfers of assets
 - Identify all parties to the transaction
 - Relationship of the affiliated parties to the registrant

Q & A

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Form D

- What is a Form D filing?
 - Prior notice of a material transaction involving a domestic insurer and any person in its insurance holding company system
- When should a Form D be filed?
 - At least 30 days prior to entering into such transaction.
 - Materiality standards included in 44-2133(2)
- Where should the Form D be filed?
 - The Department's SFTP portal.
 - Each domestic company should have people who have access to upload.

Form D Filing Standards

- Sales, purchases, exchanges, loans, or extensions of credit, guarantees, or investments
 - Other than life insurers:
 - Lesser of 3% of admitted assets or 25% of the policyholder's surplus
 - Life insurers:
 - 3% of admitted assets
- Loans or extensions of credit to any person who is not an affiliate with the agreement that the proceeds will be used to make loans, extensions of credit, purchase assets of or make investments in any affiliate of the insurer making such loan
 - Other than life insurers:
 - Lesser of 3% of admitted assets or 25% of the policyholder's surplus
 - Life insurers:
 - 3% of admitted assets
- Reinsurer agreements:
 - All pooling agreements
 - Agreements in which the actual or projected reinsurance premium or a change in the insurer's liabilities equals or exceeds 5% of the policyholder's surplus
- All management agreements, service contracts, tax allocation agreements, and cost-sharing arrangements
- Any material transactions that may adversely affect the interests of the insurer's policyholders

Form D

FORM D
PRIOR NOTICE OF A TRANSACTION

Filed with the Insurance Department of the State of _____

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;

Form D Best Practices

- Cost sharing and management agreements:
 - Title 210, Chapter 24, Section 018 includes provisions that should be included in the agreement as applicable
- SSAP 25, paragraph 9 requires a specified due date
- Form D Item 2(c) – include a statement of how the transaction meets the ‘fair and reasonable’ standard of §44-2133(1)(a)

Form D Best Practices

- Financial impact – this is not required in all types of Form D filings, but if not included in the filing we will request it as a best practice
- Reinsurance – for transactions that reinsure business prior to the effective date of the transaction it would be helpful if a pricing/actuarial analysis is provided upfront with the filing
- Prior to entering into any complex transactions, we recommend setting up a call with the Department to give us an understanding of the transaction prior to receiving the filing.

Q & A

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Portal Access FAQs

- How does the Portal Work?
 - Log in and follow the instructions to upload a file
 - Each company has a separate folder, which functions as a temporary holding place
 - There is no automatic confirmation that a filing has been submitted. However, the portal is checked daily, and once a file is received, it is moved elsewhere. You will not be able to see submissions made previously or that were submitted by others.
- How to sign up for access:
 - Email your request to Financial Examination Division Staff Assistant Jillian Boston, including the name of the company or companies you are filing for
- Issues with password resets, locked accounts or other errors, contact Mark Peterson or OCIO

Stay in Touch

- Follow the Nebraska Department of Insurance to stay up-to-date on future CLEs and events hosted by the department.
- Insurtech on the Silicon Prairie: Spotlight on the U.K. virtual event on March 16, 11 a.m. C.S.T. For more information, go to siliconprairienebraska.com or follow Insurtech on the Silicon Prairie on LinkedIn and social media.
- For those wanting to learn more about the future of Insurtech, the NDOI will be hosting the Insurtech on the Silicon Prairie conference on Oct. 24 in Omaha. Continuing Education credits will be available for the day.

Contact Information

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Satisfaction Survey

If you have a topic, you would like us to discuss in future presentations, please email us at aj.raaska@nebraska.gov