

Department of Consumer & Business Services

Oregon Insurance Division – 5

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Salem, Oregon 97301-3883
Phone (503) 947-7983

TRANSMITTAL AND REQUIREMENTS
CHANGES TO BUSINESS OPERATIONS THAT REQUIRE A FILING

Assumptions, Mergers, Demutualization, Name Change,
Discontinuing a PC Line or Type of Product
Restructuring Life Policies in a Rehabilitation

Date: _____ NAIC no.: _____

Insurer name: _____

Filing entity (if not insurer): _____

If not the insurer, a letter of authorization must be included in the filing.

Contact person: _____

Title: _____

Mailing address: _____

Street

City

State

ZIP

Toll-free/collect phone no.: _____

Fax no.: _____

E-mail address: _____

Requested effective date: _____

This checklist has five sections, check the activity filed and attach the appropriate section:

- I. [] Assumption
II. [] Merger
III. [] Name change or demutualization
IV. [] Discontinuing a PC line or type of product
V. [] Restructuring of life policies in a rehabilitation

Instructions: Complete and submit this transmittal and the section of this document that applies to the type of activity being filed. In a cover letter or page attached to this transmittal, include a complete explanation of the activity being filed, include specific timelines and address the required items under the appropriate section. Submit two copies of the filing with a self-addressed stamped envelope. By each statement check the box (when provided) to verify compliance. Any "No" answers must be explained in the cover letter. If a statement does not apply to this filing, mark the box for "N/A" as not applicable. Include a complete explanation of the companies involved in the activity, the status of each company after the activity takes place, and the status of existing policyholders after the activity takes place.

ORS 742.003(1) – 'Except where otherwise provided by law, no basic policy form, or application form where written application is required and is to be made a part of the policy, or rider, endorsement or renewal certificate form shall be delivered or issued for delivery in this state until the form has been filed with and approved by the Director of the Department of Consumer and Business Services.'

Department Action:

- [] Disapproved as incomplete
[] Approved; Limitations _____

- [] Withdrawn
[] Disapproved; Reason _____

Action Date: _____

Effective Date: _____

Analyst: _____

Filing No: _____

CHANGES TO BUSINESS OPERATIONS...

Attach page 1 with this section.

I. Assumption *(The transfer of a block of policies or the entire business from one company to another. The assuming insurer must be admitted in Oregon. ORS 742.150(3))*

Yes No N/A

1. The filing includes the information in ORS 742.154 needed to determine approval of the assumption reinsurance agreement. (Substitution of one insurer for another upon expiration of coverage is exempt under ORS 742.152(2).)
2. A policy endorsement transferring the liabilities to the assuming company is enclosed for approval.
- (a) The endorsement verifies that all benefits remain the same and the assuming insurer is responsible for all liabilities under the policy.
- (b) The endorsement includes an address for policyholder inquiries and premium payments.
- (c) The endorsement is deemed accepted upon continued premium payment, unless the ceding insurer continues to operate (see Item 3). If there is an option of acceptance, the form must state what will happen if the assumption is not accepted.
3. If the insurance company ceding the business continues to operate as an insurer, the filing must include the following, each having an identifying form number. ORS 742.150 to .162 and OAR 836-050-0010.
- (a) Notice of transfer that meets the requirements under ORS 742.156 and OAR 836-050-0010.
- (b) Election to reject form.
- (c) Second and final notice of transfer.
4. Filing a list of forms for transfer: (Property/casualty rates must be refiled and adjusted for the assuming insurers expense loads.)
- Yes No
- (a) If ceding insurer retains its C of A, respond to the following:
- Will the ceding insurer become a “shell” retained for future use? (Note: If this is the case, all previously approved forms will become inactive.)
 - Will the ceding insurer continue to market the forms for which policies are being assumed?
 - Will the ceding insurer remain active, but discontinue selling the assumed policies? Include list of forms being assumed.
- (b) If the assuming company has purchased rights to continue selling policies approved by the ceding company, a list of the form numbers, titles and approval dates is filed for transfer. Forms more than five years old are refiled. (These forms are inactive under the ceding company.)
5. Filing includes how many Oregon policyholders will be affected by this transaction.

Note: Endorsements approved to change the company name and to transfer liabilities are approved for existing policyholders. Continued selling of the transferred forms with the assumption endorsement is limited to six months to allow for reprinting of forms with the correct name.

CHANGES TO BUSINESS OPERATIONS...

Attach page 1 with this section.

II. Merger (*Merging one company into another company.*)

Yes No N/A

1. The withdrawal of the dissolved company's certificate of authority has been filed with the Oregon Insurance Division Financial Regulation Section.
Date filed: _____

2. A policy endorsement transferring the liabilities to the surviving company is enclosed for approval.

(a) The endorsement verifies that all benefits remain the same and the surviving insurer is assuming full liability under the policy.

(b) The endorsement includes an address to which the policyholder can send inquiries and premium payments.

(c) The endorsement is deemed accepted upon continued premium payment. If there is an option of acceptance, the form must state what will happen if the assumption is not accepted.

3. Filing a list of forms for transfer. (Property/casualty rates must be refiled and adjusted for the assuming insurers expense loads.)

If the surviving company continues selling assumed policies previously approved by merged insurer, include a list of forms needing transferred from the merged insurer listing the form numbers, titles, and approval dates. Forms from the dissolving company that are more than five years old or need revising to meet regulatory changes must be refiled to be used by the surviving insurer.

4. Filing includes information on how many Oregon policyholders will be affected by this transaction.

Note: Endorsements approved to change the company name and to transfer liabilities are approved for existing policyholders. Continued selling of transferred forms under the new insurer's name may use the endorsement form for six months to allow for reprinting of forms with the correct name.

CHANGES TO BUSINESS OPERATIONS...

Attach page 1 with this section.

III. Name Change and/or Demutualization (*Changing company ownership from a mutual to a stock company.*)

Yes No N/A

1. Changes to the certificate of authority required because of the name change or demutualization has been filed with the Oregon Insurance Division Company Section.
Date filed: _____
2. A policy endorsement changing the name of the insurance company is enclosed for approval.
- (a) The endorsement verifies that all benefits remain the same under the new name.
 - (b) The endorsement includes an address to which the policyholder can send inquiries and premium payments.
 - (c) For demutualization, the endorsement may include the deletion of voting rights from the policy language.
3. A list of approved forms the company will continue selling under the new name or after demutualization is filed.
4. Filing includes information on how many Oregon policyholders will be affected by this transaction.

Note: Endorsements approved to change the company name are approved for existing policyholders. Continued use of forms with the name change endorsement is limited to six months to allow for reprinting of forms with the correct name.

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IV. Discontinuing a property/casualty line or type of product

Yes No N/A

- 1. Includes an explanation of the line or product type to be withdrawn from the market in sufficient detail to determine what affect the action will have on the insurance-buying public. ORS 731.296
- 2. Identifies the insurer that will offer renewal coverage or explains why one has not been arranged. A copy of the notice sent to policyholders regarding their options is included.
- 3. Information on the affect in Oregon, such as the policy count and written premium (if available), is provided.
- 4. A list of forms the company will discontinue selling is filed. These forms are recorded as inactive. (Re-entry into that line will require new form and rate filings.)

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V. Restructuring Life Policies in a Rehabilitation

Yes No N/A

- 1. Restructuring is approved by the *Life, Health, and Annuity Guaranty Association* and state of domicile.
- 2. The restructured policy is an option that allows for “opting in” to receive the restructured policy or “opting out” to cash in the policy when the company is dissolved.
- 3. The restructured policy is filed as a single-case issue for rehabilitation purposes only.
- 4. Two copies of the policy are included; one is highlighted with the changes. If endorsed, a copy of the policy is included with the endorsement.
- 5. Two copies of letters or notices explaining the rehabilitation and restructure of the policy are included in the filing.
- 6. In the cover letter, the number of existing policyholders in Oregon affected by this action is stated.