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**Rules of**  
**Department of Insurance,**  
**Financial Institutions and**  
**Professional Registration**  
**Division 200—Insurance Solvency and Company**  
**Regulation**  
**Chapter 11—Control and Management of**  
**Insurance Companies**

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**Title 20—DEPARTMENT OF  
INSURANCE, FINANCIAL  
INSTITUTIONS AND  
PROFESSIONAL REGISTRATION**  
Division 200—Insurance Solvency and  
Company Regulation  
Chapter 11—Control and Management  
of Insurance Companies

**20 CSR 200-11.100 Insurance Holding  
Company Registration**  
(Rescinded December 3, 1992)

*AUTHORITY: 374.045 and 382.240, RSMo 1986. This rule was previously filed as 4 CSR 190-10.010. Original rule filed Sept. 17, 1971, effective Sept. 28, 1971. Amended: Filed Aug. 5, 1974, effective Aug. 15, 1974. Amended: Filed Sept. 14, 1988, effective Jan. 13, 1989. Rescinded: Filed April 29, 1992, effective Dec. 3, 1992.*

**20 CSR 200-11.101 Insurance Holding  
Company System Regulation With  
Reporting Forms and Instructions**

*PURPOSE: This rule sets forth rules and procedural requirements which the director deems necessary to carry out the provisions of sections 382.010–382.300, RSMo, also referred to as the Act. The information called for by this rule is declared to be necessary and appropriate in the public interest and for the protection of policyholders in this state.*

(1) If any provision of this rule, or its application to any person or circumstance, is held invalid, the determination shall not affect other provisions or applications of these rules which can be given effect without the invalid provision or application, and to this end the provisions of this rule are severable.

(2) Forms—General Requirements.

(A) Forms A, B, C, D, E, and F are intended to be guides in the preparation of the statements required by sections 382.040–382.230, RSMo. They are not intended to be blank forms which are to be filled in. These statements filed shall contain the numbers and captions of all items, but the text of the items may be omitted provided the answers are prepared in such a manner as to indicate clearly the scope and coverage of the items. All instructions, whether appearing under the items of the form or elsewhere, are to be omitted. Unless expressly provided otherwise, if any item is inapplicable or the answer is in the negative, an appropriate statement to that effect shall be made.

(B) Three (3) complete copies of each

Form A statement and one (1) copy of each other statement, including exhibits and all other papers and documents filed as a part of it, shall be filed with the director by personal delivery or mail addressed to: Director of Insurance of the State of Missouri, Attention: Chief Financial Examiner, PO Box 690, Jefferson City, MO 65102-0690. At least one (1) of the copies shall be signed in the manner prescribed on the form. Unsigned copies shall be conformed. If the signature of any person is affixed pursuant to a power of attorney or other authority, the power or other authority also shall be filed with the statement.

(C) If an applicant requests a hearing on a consolidated basis under section 382.060.4, in addition to filing the Form A with the director, the applicant shall file a copy of Form A with the National Association of Insurance Commissioners (NAIC) in electronic form.

(D) Statements should be prepared electronically. Statements and exhibits shall be easily readable and suitable for printing, review, and reproduction. Debits in credit categories and credits in debit categories shall be designed so as to be clearly distinguishable as such on photocopies. Statements shall be in the English language and monetary values shall be stated in United States currency. If any exhibit or other paper or document filed with the statement is in a foreign language, it shall be accompanied by a translation into the English language and any monetary value shown in a foreign currency normally shall be converted into United States currency.

(3) Forms—Incorporation by Reference, Summaries, and Omissions.

(A) Information required by any item of Forms A, B, D, E, or F may be incorporated by reference in answer or partial answer to any other item. Information contained in any financial statement, annual report, proxy statement, statement filed with a governmental authority, or any other document may be incorporated by reference in answer or partial answer to any item of Forms A, B, D, E, or F provided the document is filed as an exhibit to the statement. Excerpts of documents may be filed as exhibits if the documents are extensive. Documents currently on file with the director which were filed within three (3) years need not be attached as exhibits. References to information contained in exhibits or in documents already on file shall clearly identify the material and shall specifically indicate that this material is to be incorporated by reference in answer to the item. Matter shall not be incorporated by reference in any case where the incorporation would render the statement incomplete, unclear, or

confusing.

(B) Where an item requires a summary or outline of the provisions of any document, only a brief statement shall be made as to the pertinent provisions of the document. In addition to this statement, the summary or outline may incorporate by reference particular parts of any exhibit or document currently on file with the director which was filed within three (3) years and may be qualified in its entirety by that reference. In any case where two (2) or more documents required to be filed as exhibits are substantially identical in all material respects except as to the parties thereto, the dates of execution or other details, a copy of only one (1) of these documents need be filed with a schedule identifying the omitted documents and setting forth the material details in which these documents differ from the filed document.

(4) Forms—Information Unknown or Unavailable and Extension of Time to Furnish. If it is impractical to furnish any required information, document, or report at the time it is required to be filed, there shall be filed with the director a separate document—

(A) Identifying the information, document, or report in question;

(B) Stating why the filing at the time required is impractical; and

(C) Requesting an extension of time for filing the information, document, or report to a specified date. The request for extension shall be deemed granted unless the director, within sixty (60) days after receipt, enters an order denying the request.

(5) Forms—Additional Information and Exhibits. In addition to the information expressly required to be included in Forms A, B, C, D, E, and F, there shall be added by exhibits further material information, if any, as may be necessary to make the information contained not misleading. The person filing also may file these exhibits as desired in addition to those expressly required by the statement. These exhibits shall be so marked as to indicate clearly the subject matters to which they refer. Changes to Forms A, B, C, D, E or F shall include on the top of the cover page the phrase: “Change No. (insert number) to” and shall indicate the date of the change and not the date of the original filing.

(6) Definitions.

(A) “The Act” means sections 382.010–382.300, RSMo.

(B) “Executive officer” means chief executive officer, chief operating officer, chief financial officer, treasurer, secretary, controller, and any other individual performing



functions corresponding to those performed by the foregoing officers under whatever title.

(C) “Foreign insurer” shall include an alien insurer except where clearly noted otherwise.

(D) “Ultimate controlling person” means that person which is not controlled by any other person.

(E) Unless the context otherwise requires, other terms found in these rules and in section 382.010 of the Act are used herein as defined in section 382.010, RSMo. Other nomenclature or terminology is used in accordance with Chapters 354 and 374 through 385, RSMo, or industry usage if not defined therein.

(7) Subsidiaries of Domestic Insurers. The authority to invest in subsidiaries under section 382.020 of the Act is in addition to any authority to invest in subsidiaries which may be contained in any other provision of Chapters 354 and 374 through 385, RSMo.

(8) Acquisition of Control—Statement Filing. A person required to file a statement pursuant to sections 382.040, 382.050, and 382.060 of the Act shall furnish the required information on Form A. Such person shall also furnish the required information on Form E, described in section (19) of this regulation.

(9) Amendments to Form A. The applicant shall promptly advise the director of any changes in the information furnished on Form A arising subsequent to the date upon which that information was furnished but prior to the director’s disposition of the application.

(10) Acquisition of Section 382.040.4 Insurers.

(A) If the person being acquired is deemed to be a domestic insurer solely because of the provisions of section 382.040.4 of the Act, the name of the domestic insurer on the cover page should be indicated as follows: ABC Insurance Company, a subsidiary of XYZ Holding Company.

(B) Where a section 382.040.4 insurer is being acquired, references to the insurer contained in Form A shall refer to both the domestic subsidiary insurer and the person being acquired.

(11) Annual Registration of Insurers—Statement Filing. An insurer required to file an annual registration statement pursuant to sections 382.100–382.180 of the Act shall furnish the required information on Form B.

(12) Summary of Registration—Statement Filing. An insurer required to file an annual registration statement pursuant to sections 382.100–382.180 of the Act is also required

to furnish the information required on Form C.

(13) Amendments to Form B.

(A) Pursuant to section 382.120 of the Act, an amendment to Form B shall be filed within fifteen (15) days after the end of any month in which there is a material change to the information provided in the annual registration statement.

(B) Amendments shall be filed in the Form B format with only those items which are being amended reported. Each amendment shall include at the top of the cover page “Amendment No. [insert number] to Form B for [insert year]” and shall indicate the date of the change and not the date of the original filing.

(14) Alternative and Consolidated Registrations.

(A) Any authorized insurer may file an annual registration statement on behalf of any affiliated insurer(s) which is required under sections 382.100–382.180 of the Act. An annual registration statement may include information not required by the Act regarding any insurer in the insurance holding company system even if the insurer is not authorized to do business in this state. In lieu of an annual registration statement on Form B, the authorized insurer may file a copy of the annual registration statement or similar report which it is required to file in its state of domicile, provided—

1. The statement or report contains substantially similar information required to be furnished on Form B; and

2. The filing insurer is the principal insurance company in the insurance holding company system.

(B) The question of whether the filing insurer is the principal insurance company in the insurance holding company system is a question of fact, and an insurer filing an annual registration statement or report in lieu of Form B on behalf of an affiliated insurer shall set forth a brief statement of facts which will substantiate the filing insurer’s claim that it, in fact, is the principal insurer in the insurance holding company system.

(C) With the prior approval of the director, an unauthorized insurer may follow any of the procedures which could be done by an authorized insurer under subsection (14)(A).

(D) Any insurer may take advantage of the provisions of section 382.140 or 382.150 of the Act without obtaining the prior approval of the director. The director, however, reserves the right to require individual filings if s/he deems the filings necessary in the interest of clarity, ease of administration, or the public good.

(15) Disclaimers and Termination of Registration.

(A) A disclaimer of affiliation or a request for termination of registration claiming that a person does not, or will not upon the taking of some proposed action, control another person (referred to as the subject) shall contain the following information:

1. The number of authorized, issued, and outstanding voting securities of the subject;

2. With respect to the person whose control is denied and all affiliates of that person, the number and percentage of shares of the subject’s voting securities which are held of record or known to be beneficially owned, and the number of the shares concerning which there is a right to acquire, directly or indirectly;

3. All material relationships and bases for affiliation between the subject and the person whose control is denied and all affiliates of that person; and

4. A statement explaining why the person should not be considered to control the subject.

(B) A request for termination of registration shall be deemed to have been granted unless the director, within thirty (30) days after s/he receives the request, notifies the registrant otherwise.

(16) Transactions Subject to Prior Notice—Notice Filing.

(A) An insurer required to give notice of a proposed transaction pursuant to section 382.195 of the Act shall furnish the required information on Form D.

(B) Agreements for cost sharing services and management services shall, at a minimum and as applicable—

1. Identify the person providing services and the nature of such services;

2. Set forth the methods to allocate costs;

3. Require timely settlement, not less frequently than on a quarterly basis, and compliance with the requirements in the *Accounting Practices and Procedures Manual*;

4. Prohibit advancement of funds by the insurer to the affiliate except to pay for services defined in the agreement;

5. State that the insurer will maintain oversight for functions provided to the insurer by the affiliate and that the insurer will monitor services annually for quality assurance;

6. Define books and records of the insurer to include all books and records developed or maintained under or related to the agreement;

7. Specify that all books and records of the insurer are and remain the property of the insurer and are subject to control of the insurer;



8. State that all funds and invested assets of the insurer are the exclusive property of the insurer, held for the benefit of the insurer, and are subject to the control of the insurer;

9. Include standards for termination of the agreement with and without cause;

10. Include provisions for indemnification of the insurer in the event of gross negligence or willful misconduct on the part of the affiliate providing the services;

11. Specify that, if the insurer is in receivership or seized by the director under sections 375.1150 to 375.1246—

A. All of the rights of the insurer under the agreement extend to the receiver or director; and

B. All books and records will immediately be made available to the receiver or director and shall be turned over to the receiver or director immediately upon the receiver or director's request;

12. Specify that the affiliate has no automatic right to terminate the agreement if the insurer is placed in receivership pursuant to sections 375.1150 to 375.1246; and

13. Specify that the affiliate will continue to maintain any systems, programs, or other infrastructure notwithstanding a seizure by the director under sections 375.1150 to 375.1246, and will make them available to the receiver, for so long as the affiliate continues to receive timely payment for services rendered.

(C) Amendments required to be filed under section 382.195 shall be filed in the Form D format. Each amendment shall include at the top of the cover page "Amendment No. [insert number] to [insert name of agreement]" and shall indicate the effective date of the change.

(17) Extraordinary Dividends and Other Distributions.

(A) Requests for approval of extraordinary dividends or any other extraordinary distribution to shareholders shall include the following:

1. The amount of the proposed dividend;

2. The date established for payment of the dividend;

3. A statement as to whether the dividend is to be in cash or other property and, if in property, a description of the property, its cost, and its fair market value, together with an explanation of the basis for valuation;

4. A copy of the calculations determining that the proposed dividend is extraordinary. The work paper shall include the following information:

A. The amounts, dates, and form of payment of all dividends or distributions (including regular dividends but excluding

distributions of the insurer's own securities) paid within the period of twelve (12) consecutive months ending on the date fixed for payment of the proposed dividend for which approval is sought and commencing on the day after the same day of the same month in the last preceding year;

B. Surplus as regards policyholders (total capital and surplus) as of December 31 next preceding;

C. If the insurer is a life insurer, the net gain from operations for the twelve- (12-) month period ending December 31 next preceding;

D. If the insurer is a property and casualty insurer, the net income for the twelve- (12-) month period ending December 31 next preceding;

E. If the insurer is not a life insurer or a property and casualty insurer, the net investment income for the twelve- (12-) month period ending December 31 next preceding and the two (2) preceding twelve- (12-) month periods; and

F. If the insurer is not a life insurer, the dividends paid to stockholders in the two (2) preceding twelve- (12-) month periods, excluding distributions of the insurer's own securities;

5. A balance sheet and statement of income for the period intervening from the last annual statement filed with the director and the end of the month preceding the month in which the request for dividend approval is submitted; and

6. A brief statement as to the effect of the proposed dividend upon the insurer's surplus and the reasonableness of surplus in relation to the insurer's outstanding liabilities and the adequacy of surplus relative to the insurer's financial needs.

(B) Subject to section 382.210 of the Act, each registered insurer shall report to the director all dividends and other distributions to shareholders within fifteen (15) business days following the declaration, including the same information required by paragraph (17)(A)4.

(18) Adequacy of Surplus. The factors set forth in section 382.200 of the Act are not intended to be an exhaustive list. In determining the adequacy and reasonableness of an insurer's surplus, no single factor is necessarily controlling. The director instead will consider the net effect of all of these factors plus other factors bearing on the financial condition of the insurer. In comparing the surplus maintained by other insurers, the director will consider the extent to which each of these factors varies from company-to-company and in determining the quality and liquidity of investments in subsidiaries, the director will consider the individual sub-

sidary and may discount or disallow its valuation to the extent that the individual investments so warrant.

(19) Pre-Acquisition Notification. If a domestic insurer, including any person controlling a domestic insurer, is proposing a merger or acquisition pursuant to the provisions of section 382.040.1 of the Act and is required by such section to file a pre-acquisition notification, that person shall file a pre-acquisition notification form, Form E, which was developed pursuant to section 382.095.3 of the Act. Additionally, if a non-domiciliary insurer licensed to do business in this state is proposing a merger or acquisition pursuant to section 382.095 of the Act, that person shall file a pre-acquisition notification form, Form E. No pre-acquisition notification form need be filed if the acquisition is beyond the scope of section 382.095 as set forth in section 382.095.2(1)-(6). In addition to the information required by Form E, the director may wish to require an expert opinion as to the competitive impact of the proposed acquisition.

(20) Enterprise Risk Report. The ultimate controlling person of an insurer required to file an enterprise risk report pursuant to section 382.175 of the Act shall furnish the required information on Form F.

**FORM A**

**Statement Regarding the Acquisition of Control of or Merger with a Domestic Insurer**

\_\_\_\_\_  
*(Name of Domestic Insurer)*

by

\_\_\_\_\_  
*(Name of Acquiring Person (Applicant))*

Filed with the Insurance Department of  
\_\_\_\_\_  
*(State of domicile of insurer being acquired)*

Dated: \_\_\_\_\_, \_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Item 1. Insurer and Method of Acquisition.  
State the name and address of the domestic insurer to which this application relates and a brief description of how control is to be



acquired.

**Item 2. Identity and Background of the Applicant.**

(a) State the name and address of the applicant seeking to acquire control over the insurer.

(b) If the applicant is not an individual, state the nature of its business operations for the past five (5) years, or for such lesser period as the applicant person and any of its predecessors shall have been in existence. Briefly describe the business intended to be done by the applicant and the applicant's subsidiaries.

(c) Furnish a chart or list clearly presenting the identities of and the interrelationships among the applicant and all affiliates of the applicant. Indicate in the chart or listing the percentage of voting securities of each such person which is owned or controlled by the applicant or by any other such person. If control of any person is maintained other than by the ownership or control of voting securities, indicate the basis of such control. As to each person specified in such chart or listing, indicate the type of organization (for example, corporation, trust, partnership) and the state or other jurisdiction of domicile. If court proceedings involving a reorganization or liquidation are pending with respect to any such person, set forth the title of the court, nature of proceedings, and the date when commenced.

**Item 3. Identity and Background of Individuals Associated With the Applicant.**

On the biographical affidavit, include a third party background check, and state, or with respect to (e) have provided to the department, the following with respect to—1) the applicant if s/he is an individual or 2) all persons who are directors, executive officers, or owners of ten percent (10%) or more of the voting securities of the applicant if the applicant is not an individual:

(a) Name and business address;

(b) Present principal business activity, occupation, or employment, including position and office held and the name, principal business, and address of any corporation or other organization in which the employment is carried on;

(c) Material occupations, positions, offices, or employment during the last five (5) years, giving the starting and ending dates of each and the name, principal business, and address of any business operation or other corporation in which each such occupation, position, office, or employment was carried on; if any such occupation, position, office, or employment required licensing by or registration with any federal, state, or municipal governmental agency, indicate such fact, the current status

of the licensing or registration, and an explanation of any surrender, revocation, suspension, or disciplinary proceedings in connection with the licensing or registration;

(d) Whether or not such person has ever been convicted in a criminal proceeding (excluding minor traffic violations) during the last ten (10) years and, if so, give the date, nature of conviction, name and location of court, and penalty imposed or other disposition of the case;

(e) A character report from an independent third party listed in the Independent Third Parties for Furnishing Background Investigation Reports in All States document, or its successor, maintained by the National Association of Insurance Commissioners.

**Item 4. Nature, Source, and Amount of Consideration.**

(a) Describe the nature, source, and amount of funds or other considerations used or to be used in effecting the merger or other acquisition of control. If any part of the same is represented or is to be represented by funds or other consideration borrowed or otherwise obtained for the purpose of acquiring, holding, or trading securities, furnish a description of the transaction, the names of the parties to the transaction, the relationship, if any, between the borrower and the lender, the amounts borrowed or to be borrowed, and copies of all agreements, promissory notes, and security arrangements relating thereto.

(b) Explain the criteria used in determining the nature and amount of such consideration.

(c) If the source of the consideration is a loan made in the lender's ordinary course of business and if the applicant wishes the identity of the lender to remain confidential, s/he must specifically request that the identity be kept confidential.

**Item 5. Future Plans of Insurer.**

Describe any plans or proposals which the applicant may have to declare an extraordinary dividend, to liquidate such insurer, to sell its assets to or merge it with any person or persons, or to make any other material change in its business operations or corporate structure or management.

**Item 6. Voting Securities to be Acquired.**

State the number of shares of the insurer's voting securities which the applicant, its affiliates, and any person listed in Item 3, plan to acquire, and the terms of the offer, request, invitation, agreement, or acquisition, and a statement as to the method by which the fairness of the proposal was arrived at.

**Item 7. Ownership of Voting Securities.**

State the amount of each class of any voting security of the insurer which is benefi-

cially owned or concerning which there is a right to acquire beneficial ownership by the applicant, its affiliates, or any person listed in Item 3.

**Item 8. Contracts, Arrangements, or Understandings With Respect to Voting Securities of the Insurer.**

Give the full description of any contracts, arrangements, or understandings with respect to any voting security of the insurer in which the applicant, its affiliates, or any person listed in Item 3 is involved, including, but not limited to, transfer of any of the securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or guarantees of profits, division of losses or profits, or the giving or withholding of proxies. This description shall identify the persons with whom the contracts, arrangements, or understandings have been entered into.

**Item 9. Recent Purchases of Voting Securities.**

Describe any purchases of any voting securities of the insurer by the applicant, its affiliates, or any person listed in Item 3 during the twelve (12) calendar months preceding the filing of this statement. Include in such description the dates of purchase, the names of the purchasers, and the consideration paid or agreed to be paid. State whether any shares so purchased are hypothecated.

**Item 10. Recent Recommendations to Purchase.**

Describe any recommendations to purchase any voting security of the insurer made by the applicant, its affiliates or any person listed in Item 3, or by anyone based upon interviews or at the suggestion of the applicant, its affiliates, or any person listed in Item 3 during the twelve (12) calendar months preceding the filing of this statement.

**Item 11. Agreements With Broker-Dealers.**

Describe the terms of any agreement, contract, or understanding made with any broker-dealer as to solicitation of voting securities of the insurer for tender and the amount of any fees, commission, or other compensation to be paid to broker-dealers with regard thereto.

**Item 12. Financial Statements and Exhibits.**

(a) Attach financial statements, exhibits, and three- (3-) year financial projections of the insurer(s) to this statement as an appendix, but list under this item the financial statements and exhibits so attached.

(b) The financial statements shall include the annual financial statements of the persons identified in Item 2(c) for the preceding five



(5) fiscal years (or for such lesser period as the applicant, its affiliates, and any predecessors of the applicant shall have been in existence), and similar information covering the period from the end of the person's last fiscal year, if this information is available. These statements may be prepared on either an individual basis or, unless the director otherwise requires, on a consolidated basis if consolidated statements are prepared in the usual course of business.

(c) The annual financial statements of the applicant shall be accompanied by the certificate of an independent public accountant to the effect that the statements present fairly the financial position of the applicant and the results of its operations for the year then ended, in conformity with generally accepted accounting principles or with requirements of insurance or other accounting principles prescribed or permitted under law. If the applicant is an insurer which is actively engaged in the business of insurance, the financial statements need not be certified, provided they are based on the Annual Statement of such person filed with the insurance department of the person's domiciliary state and are in accordance with the requirements of insurance or other accounting principles prescribed or permitted under the law and regulations of such state.

(d) File as exhibits copies of all tender offers for, requests or invitations for, tenders of, exchange offers for, and agreements to acquire or exchange any voting securities of the insurer and (if distributed) of additional soliciting material relating thereto, any proposed employment, consultation, advisory, or management contracts concerning the insurer, annual reports to the stockholders of the insurer and the applicant for the last two (2) fiscal years, and any additional documents or papers required by Form A or 20 CSR 200-11.101(2) and (4).

**Item 13. Agreement Requirements for Enterprise Risk Management.**

Applicant agrees to provide, to the best of its knowledge and belief, the information required by Form F within fifteen (15) days after the end of the month in which the acquisition of control occurs. Applicant further agrees to annually provide Form F as described in section 382.175 of the Act for so long as control exists. Applicant further acknowledges that the applicant and all subsidiaries within its control in the insurance holding company system shall provide information to the director upon request as necessary to evaluate enterprise risk to the insurer.

**Item 14. Signature and Certification.**  
Signature and certification required as follows:

**SIGNATURE**

Pursuant to the requirements of sections 382.040–382.060 of the Act \_\_\_\_\_ has caused this application to be duly signed on its behalf in the City of \_\_\_\_\_ and State of \_\_\_\_\_, on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(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 application dated \_\_\_\_\_, \_\_\_\_\_, for and on behalf of \_\_\_\_\_;

\_\_\_\_\_  
(Name of Applicant)

that s/he is the \_\_\_\_\_  
(Title of Officer)

of \_\_\_\_\_  
(Name of Company)

and that s/he is authorized to execute and file such instrument. Deponent further says that 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)

**FORM B**  
**Insurance Holding Company System**  
**Annual Registration Statement**

Filed with the Insurance Department of the state of \_\_\_\_\_

by \_\_\_\_\_  
(Name of Registrant)

On behalf of following insurance companies:  
Name \_\_\_\_\_ Address \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
Date \_\_\_\_\_, \_\_\_\_\_.

Name, title, mailing address, e-mail address, and telephone number of individual to whom notices and correspondence concerning this statement should be addressed:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Item 1. Identity and Control of Registrant.**  
Furnish the exact name of each insurer registering or being registered (after this called the registrant), the home office address and principal executive offices of each; the date on which each registrant became part of the insurance holding company system; and the method(s) by which control of each registrant was acquired and is maintained.

**Item 2. Organizational Chart.**  
Furnish a chart or listing clearly presenting the identities of and interrelationships among all affiliated persons with the insurance holding company system. The chart or listing should show the percentage of each class of voting securities of each affiliate which is owned, directly or indirectly, by another affiliate. If control of any person within the system is maintained other than by the ownership or control of voting securities, indicate the basis of the control. As to each person specified in the chart or listing indicate the type of organization (for example, corporation, trust, partnership) and the state or other jurisdiction of domicile.

**Item 3. The Ultimate Controlling Person.**  
As to the ultimate controlling person in the insurance holding company system, furnish the following information:

- (a) Name;
- (b) Home office address;
- (c) Principal executive office address;
- (d) The organizational structure of the person, that is, corporation, partnership, individual, trust, etc;
- (e) The principal business of the person;
- (f) The name and address of any person who holds or owns ten percent (10%) or more of any class of voting security, the class of such security, the number of shares held of record or known to be beneficially owned, and the percentage of class so held or owned; and
- (g) If court proceedings involving a reorganization or liquidation are pending, indicate the title and location of the court, the



nature of proceedings, and the date when commenced.

#### Item 4. Biographical Information.

If the ultimate controlling person is a corporation, an organization, a limited liability company, or other legal entity, furnish the following information for the directors and executive officers of the ultimate controlling person: each individual's name and address, his/her principal occupation and all offices and positions held during the past five (5) years, and any conviction of crimes other than minor traffic violations. If the ultimate controlling person is an individual, furnish the individual's name and address, his or her principal occupation and all offices and positions held during the past five (5) years, and any conviction of crimes other than minor traffic citations.

#### Item 5. Transactions and Agreements.

Briefly describe the following agreements in force and transactions currently outstanding or which have occurred during the last calendar year between the registrant and its affiliates:

- (a) Loans, other investments, or purchases, sales, or exchanges of securities of the affiliates by the registrant or of the registrant by its affiliates;
- (b) Purchases, sales, or exchanges of assets;
- (c) Transactions not in the ordinary course of business;
- (d) Guarantees or undertakings for the benefit of an affiliate which result in an actual contingent exposure of the registrant's assets to liability, other than insurance contracts entered into in the ordinary course of the registrant's business;
- (e) All management agreements, service contracts, and cost-sharing arrangements;
- (f) Reinsurance agreements;
- (g) Dividends and other distributions to shareholders;
- (h) Consolidated tax allocation agreements; and
- (i) Any pledge of the registrant's stock, the stock of any subsidiary or controlling affiliate, or both, for a loan made to any member of the insurance holding company system.

No information need be disclosed if such information is not material for purposes of sections 382.100–382.180 of the Act.

Sales, purchases, exchanges, loans or extension of credit, investments or guarantees involving one-half (1/2) of one percent (1%) or less of the registrant's admitted assets as of the 31st day of December next preceding shall not be deemed material.

The description shall be in a manner as to permit the proper evaluation by the director, and shall include at least the following: the

nature and purpose of the transaction, the nature and amounts of any payments or transfers of assets between the parties, the identity of all parties to such transaction, and relationships of the affiliated parties to the registrant.

#### Item 6. Litigation or Administrative Proceedings.

A brief description of any litigation or administrative proceedings of the following types, either then pending or concluded within the preceding fiscal year, to which the ultimate controlling person or any of its directors or executive officers was a party, or of which the property of any such person is or was the subject; give the names of the parties and the court or agency in which the litigation or proceeding is or was pending:

- (a) Criminal prosecutions or administrative proceedings by any government agency or authority which may be relevant to the trustworthiness of any party to the prosecutions or proceedings; and
- (b) Proceedings which may have a material effect upon the solvency or capital structure of the insurance holding company system including, but not necessarily limited to, bankruptcy, receivership, or other corporate reorganizations.

#### Item 7. Statement Regarding Plan or Series of Transactions.

The insurer shall furnish a statement that transactions entered into since the filing of the prior year's annual registration statement are not part of a plan or series of like transactions, the purpose of which is to avoid statutory threshold amounts and the review that might otherwise occur.

#### Item 8. Financial Statements and Exhibits.

- (a) Financial statements and exhibits should be attached to this statement as an appendix, but list under this item the financial statements and exhibits so attached.
- (b) If the ultimate controlling person is a corporation, an organization, a limited liability company, or other legal entity, the financial statements shall include the annual financial statements of the ultimate controlling person in the holding company system as of the end of the person's latest fiscal year.
- (c) If at the time of the initial registration, the annual financial statements for the latest fiscal year are not available, annual statements for the previous fiscal year may be filed and similar financial information shall be filed for any subsequent period to the extent such information is available. These financial statements may be prepared on either an individual basis, or unless the director otherwise requires, on a consolidated basis, if such consolidated statements are pre-

pared in the usual course of business.

(d) Other than with respect to the foregoing, such financial statement shall be filed in a standard form and format adopted by the National Association of Insurance Commissioners, unless an alternative form is accepted by the director. Documentation and financial statements filed with the Securities and Exchange Commission or audited GAAP financial statements shall be deemed to be an appropriate form and format.

(e) Unless the director otherwise permits, the annual financial statements shall be accompanied by the certificate of an independent public accountant to the effect that the statements present fairly the financial position of the ultimate controlling person and the results of its operations for the year then ended, in conformity with generally accepted accounting principles or with requirements of insurance or other accounting principles prescribed or permitted under law. If the ultimate controlling person is an insurer which is actively engaged in the business of insurance, the annual financial statements need not be certified, provided they are based on the annual statement such insurer filed with the insurance department of the insurer's domiciliary state and are in accordance with requirements of insurance or other accounting principles prescribed or permitted under the law and regulations of such state.

(f) Any ultimate controlling person who is an individual may file personal financial statements that are reviewed rather than audited by an independent public accountant. The review shall be conducted in accordance with standards for review of personal financial statements published in the *Personal Financial Statements Guide* by the American Institute of Certified Public Accountants. Personal financial statements shall be accompanied by the independent public accountant's Standard Review Report stating that the accountant is not aware of any material modifications that should be made to the financial statements in order for the statements to be in conformity with generally accepted accounting principles.

(g) Exhibits shall include copies of the latest annual reports to shareholders of the ultimate controlling person and proxy materials used by the ultimate controlling person; and any additional documents or papers required by Form B or 20 CSR 200-11.101(2) and (4).

#### Item 9. Statement Regarding Corporate Governance and Internal Controls

Furnish statements that the insurer's board of directors oversees corporate governance and internal controls and that the insurer's officers or senior management have approved, implemented, and continue to maintain and monitor corporate governance and internal control



procedures.

Item 10. Form C Required.

A Form C, Summary of Changes to Registration Statement, must be prepared and filed with this Form B.

Item 11. Signature and Certification.

Signature and certification required as follows:

SIGNATURE

Pursuant to the requirements of sections 382.100-382.180 of the Act, the Registrant has caused this annual registration statement to be duly signed on its behalf in the City of \_\_\_\_\_ and the State of \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(SEAL)

(Name of Registrant)

by

(Name)

(Title)

Attest:

(Signature of Officer)

(Title)

CERTIFICATION

The undersigned deposes and says that s/he has duly executed the attached annual registration statement dated \_\_\_\_\_,

\_\_\_\_\_ for and on behalf of \_\_\_\_\_;

(Name of Officer)

that s/he is the \_\_\_\_\_

(Title of Officer)

of \_\_\_\_\_

(Name of Company)

and that s/he is authorized to execute and file such instrument. Deponent further says that 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)

FORM C

Summary of Changes to Registration

STATEMENT

Filed with the Insurance Department of the State of \_\_\_\_\_

by

(Name of Registrant)

On behalf of following insurance companies:

Name \_\_\_\_\_ Address \_\_\_\_\_

Date \_\_\_\_\_, \_\_\_\_\_

Name, title, mailing address, e-mail address, and telephone number of individual to whom notices and correspondence concerning this statement should be addressed: \_\_\_\_\_

Furnish a brief description of all items in the current annual registration statement which represent changes from the prior year's annual registration statement. The description shall be in a manner as to permit proper evaluation by the director, and shall include specific references to Item numbers in the annual registration statement and to the terms contained in the statement.

Changes occurring under Item 2 of Form B insofar as changes in the percentage of each class of voting securities held by each affiliate is concerned, need only be included where such changes are ones which result in ownership or holdings of ten percent (10%) or more of voting securities, loss or transfer of control, or acquisition or loss of partnership interest.

Changes occurring under Item 4 of Form B need only be included where an individual is, for the first time, made a director or executive officer of the ultimate controlling person; a director or executive officer terminates his/her responsibilities with the ultimate controlling person; or in the event an individual is named president of the ultimate controlling person.

If a transaction disclosed on the prior

year's annual registration statement has been changed, the nature of this change shall be included. If a transaction disclosed on the prior year's annual registration statement has been effectuated, furnish the mode of completion and any flow of funds between affiliates resulting from the transaction.

The insurer shall furnish a statement that transactions entered into since the filing of the prior year's annual registration statement are not part of a plan or series of like transactions whose purpose it is to avoid statutory threshold amounts and the review that might otherwise occur.

SIGNATURE AND CERTIFICATION

Signature and certification required as follows:

SIGNATURE

Pursuant to the requirements of sections 382.100-382.180 of the Act, the Registrant has caused this summary of registration statement to be duly signed on its behalf in the City of \_\_\_\_\_ and the State of \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(SEAL)

(Name of Registrant)

by

(Name)

(Title)

Attest:

(Signature of Officer)

(Title)

CERTIFICATION

The undersigned deposes and says that s/he has duly executed the attached summary of registration statement dated \_\_\_\_\_,

\_\_\_\_\_ for and on behalf of \_\_\_\_\_

(Name of Officer)

that s/he is the \_\_\_\_\_

(Title of Officer)

of \_\_\_\_\_

(Name of Company)

that s/he is authorized to execute and file such instrument. Deponent further says that 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)

**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: \_\_\_\_\_, \_\_\_\_\_

Name, title, mailing address, e-mail 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, that is, corporation, partnership, individual, trust, etc;
- (e) A description of the nature of the parties' business operations;
- (f) Relationship, if any, of other parties to the transaction to the insurer filing the notice, including any ownership or debtor/creditor interest by any other parties to the transaction in the insurer seeking approval, or by the insurer filing the notice in the affiliated parties; and
- (g) Where the transaction is with a nonaffiliate, 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 for the transaction for which notice is being given:

- (a) A statement as to whether notice is

being given under section 382.195.1(1), (2), (3), (4), (5), (6), or (7) of the Act;

(b) A statement of the nature of the transaction;

(c) A statement of how the transaction meets the fair and reasonable standard of section 382.190(1) of the Act; and

(d) The proposed effective date of the transaction.

Item 3. Sales, Purchases, Exchanges, Loans, Extensions of Credit, Guarantees, or Investments.

Furnish a brief description of the amount and source of funds, securities, property or other consideration for the sale, purchase, exchange, loan, extension of credit, guarantee, or investment, whether any provision exists for purchase by the insurer filing notice, by any party to the transaction, or by any affiliate of the insurer filing notice, a description of the terms of any securities being received, if any, and a description of any other agreements relating to the transaction such as contracts or agreements for services, consulting agreements and the like. If the transaction involves consideration other than cash, furnish a description of the consideration, its cost, and its fair market value, together with an explanation of the basis for valuation.

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 investments, guarantees, or other arrangements, state the time period during which the investments, guarantees, or other arrangements will remain in effect, together with any provisions for extensions or renewals of these investments, guarantees, or other 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 at any time can 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 nonlife insurers, the lesser of three percent (3%) of the insurer's admitted assets or twenty-five percent (25%) of surplus as regards policyholders; or
- (b) In the case of life insurers, three percent (3%) of the insurer's admitted assets, each as of the 31st day of December next preceding.

\_\_\_\_\_

Item 4. Loans or Extensions of Credit to a Nonaffiliate.

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 where 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 these 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 valuation. 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 (3%) of the insurer's admitted assets or twenty-five percent (25%) of surplus as regards policyholders or, with respect to life insurers, three percent (3%) of the insurer's admitted assets, each as of the 31st day of December next preceding.

**Item 5. Reinsurance.**

If the transaction is a reinsurance agreement or modification thereto, as described by section 382.195.1(3)(b) of the Act, or a reinsurance pooling agreement or modification thereto as described by section 382.195.1(3)(a) of the Act, 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 nonaffiliate to the effect that any portion of the assets constituting the consideration for the agreement will be transferred to one (1) or more of the insurer's affiliates. Furnish a brief description of the consideration involved in the transaction and 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, or the projected reinsurance premium or change in the insurer's liabilities in any of the next three (3) years, in connection with the reinsurance agreement or modification thereto is less than five percent (5%) of the insurer's surplus as regards policyholders, as of the 31st day of December next preceding. Notice shall be given for all reinsurance pooling agreements including



modifications thereto.

Item 6. Management Agreements, Service Agreements, Tax Allocation Agreements, and Cost-Sharing Arrangements.

For management and service agreements, furnish—

(a) A brief description of the managerial responsibilities or services to be performed; and

(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 tax allocation agreements and cost-sharing arrangements, furnish—

(a) A brief description of the purpose of the agreement or arrangement;

(b) A description of the period of time during which the agreement or arrangement is to be in effect;

(c) A brief description of each party's expenses or costs covered by the agreement or arrangement;

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

(e) A brief statement as to the effect of the transaction upon the insurer's policyholder surplus;

(f) A statement regarding the cost allocation methods that specifies whether proposed charges are based on cost or market. If market based, furnish rationale for using market instead of cost, including justification for the company's determination that amounts are fair and reasonable; and

(g) A statement regarding compliance with the NAIC Accounting Practices and Procedures Manual regarding expense allocation.

Item 7. Signature and Certification.

Signature and certification required as follows:

SIGNATURE

Pursuant to the requirements of section 382.195 of the Act

\_\_\_\_\_ has caused this application to be duly signed on its behalf in the City of \_\_\_\_\_ and State of \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(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 \_\_\_\_\_, \_\_\_\_\_, for and on behalf of \_\_\_\_\_

\_\_\_\_\_  
(Name of Officer)

that s/he is the \_\_\_\_\_

\_\_\_\_\_  
(Title of Officer)

of \_\_\_\_\_

\_\_\_\_\_  
(Name of Company)

and that s/he is authorized to execute and file such instrument. Deponent further says that 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)

FORM E

**Pre-Acquisition Notification Form Regarding the Potential Competitive Impact of a Proposed Merger or Acquisition by a Non-Domiciliary Insurer Doing Business in this State or by a Domestic Insurer**

\_\_\_\_\_  
(Name of Applicant)

\_\_\_\_\_  
(Name of Other Person Involved in Merger or Acquisition)

Filed with the Insurance Department of the State of \_\_\_\_\_

Name, title, mailing address, e-mail address, and telephone number of person completing this statement:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Item 1. Name and Address.

State the names and addresses of the persons who hereby provide notice of their involvement in a pending acquisition or change in corporate control.

Item 2. Name and Addresses of Affiliated Companies.

State the names and addresses of the persons affiliated with those listed in Item 1. Describe their affiliations.

Item 3. Nature and Purpose of The Proposed Merger or Acquisition.

State the nature and purpose of the proposed merger or acquisition.

Item 4. Nature of Business.

State the nature of the business performed by each of the persons identified in response to Item 1 and Item 2.

Item 5. Market and Market Share.

State specifically what market and market share in each relevant insurance market the persons identified in Item 1 and Item 2 currently enjoy in this state. Provide historical market and market share data for each person identified in Item 1 and Item 2 for the past five (5) years and identify the source of such data. Provide a determination as to whether the proposed acquisition or merger, if consummated, would violate the competitive standards of the state as stated in section 382.095.4 of the Act. If the proposed acquisition or merger would violate competitive standards, provide justification of why the acquisition or merger would not substantially lessen competition or create a monopoly in the state.

For purposes of this question, market means direct written insurance premium in this state for a line of business as contained in the annual statement required to be filed by insurers licensed to do business in this state.

Item 6. Signature and Certification.

Signature and certification required as follows:

SIGNATURE

Pursuant to the requirements of sections 382.040.3 and 382.095 of the Act

\_\_\_\_\_ has caused this application to be duly signed on its behalf in the City of \_\_\_\_\_ and

State of \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(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 \_\_\_\_\_, for and on behalf of \_\_\_\_\_, (Name of Officer) that s/he is the \_\_\_\_\_ of \_\_\_\_\_ (Title of Officer) (Name of Company)

and that s/he is authorized to execute and file such instrument. Deponent further says that 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)

FORM F

Enterprise Risk Report

Filed with the Insurance Department of the State of \_\_\_\_\_ by \_\_\_\_\_ (Name of Registrant/Applicant)

On behalf of/related to the following insurance companies:

Table with 2 columns: Name, Address

Date: \_\_\_\_\_, \_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Item 1. Enterprise Risk.

(1) The registrant/applicant, to the best of its knowledge and belief, shall provide information regarding the following areas that could produce enterprise risk as defined in section 382.010(4) of the Act, provided such information is not disclosed in the Insurance Holding Company System Annual Registration Statement filed on behalf of itself or another insurer for which it is the ultimate controlling person:

(A) Any material developments regarding strategy, internal audit findings, compliance, or risk management affecting the insur-

ance holding company system;

(B) Acquisition or disposal of insurance entities and reallocation of existing financial or insurance entities within the insurance holding company system;

(C) Any changes of shareholders of the insurance holding company system exceeding ten percent (10%) or more of voting securities;

(D) Developments in various investigations, regulatory activities, or litigation that may have a significant bearing or impact on the insurance holding company system;

(E) Business plan of the insurance holding company system and summarized strategies for the next twelve (12) months;

(F) Identification of material concerns of the insurance holding company system raised by the supervisory college, if any, in the last year;

(G) Identification of insurance holding company system capital resources and material distribution patterns;

(H) Identification of any negative movement, or discussions with rating agencies which may have caused, or may cause, potential negative movement in the credit ratings and individual insurer financial strength ratings assessment of the insurance holding company system, including both the rating score and outlook;

(I) Information on corporate or parental guarantees throughout the holding company and expected sources of liquidity should such guarantees be called upon; and

(J) Identification of any material activity or development of the insurance holding company system that, in the opinion of senior management, could adversely affect the insurance holding company system.

(2) The registrant/applicant may attach the appropriate form most recently filed with the U.S. Securities and Exchange Commission, provided the registrant/applicant includes specific references to those areas listed in Item 1 for which the form provides responsive information. If the registrant/applicant is not domiciled in the U.S., it may attach its most recent public audited financial statement filed in its country of domicile, provided the registrant/applicant includes specific references to those areas listed in Item 1 for which the financial statement provides responsive information.

Item 2. Obligation to Report. If the registrant/applicant has not disclosed any information pursuant to Item 1, the registrant/applicant shall include a statement affirming that, to the best of its knowledge and belief, it has not identified enterprise risk subject to disclosure pursuant to Item 1.

Item 3. Signature and Certification.

Signature and certification required as follows:

SIGNATURE

Pursuant to the requirements of section 382.175 of the Act \_\_\_\_\_ has caused this application to be duly signed on its behalf in the City of \_\_\_\_\_ and State of \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
(SEAL)  
\_\_\_\_\_  
(Name of Applicant)

by \_\_\_\_\_ (Name) \_\_\_\_\_ (Title)

Attest: \_\_\_\_\_  
(Signature of Officer)

\_\_\_\_\_  
(Title)

AUTHORITY: section 374.045, RSMo Supp. 2013, and section 382.240, RSMo 2000.\* Original rule filed April 29, 1992, effective Dec. 3, 1992. Amended: Filed Nov. 23, 1998, effective July 30, 1999. Amended: Filed June 14, 2001, effective Dec. 30, 2001. Amended: Filed April 17, 2006, effective Oct. 30, 2006. Emergency amendment filed Dec. 1, 2015, effective Jan. 1, 2016, expired June 29, 2016. Amended: Filed Dec. 1, 2015, effective May 30, 2016.

\*Original authority: 374.045, RSMo 1967, amended 1993, 1995, 2008 and 382.240, RSMo 1971.

20 CSR 200-11.120 Material Transactions Between Affiliates Under Section 382.050.1(5), RSMo

PURPOSE: This rule specifies certain material transactions involving a domestic insurer and any person in its holding company system, which transactions may not be entered into unless the insurer has notified the director in writing of its intention to enter into such a transaction at least thirty (30) days prior thereto, or such shorter period as the director may permit, and the director has not disapproved such transaction.

(1) The transactions specified within or under section (2) of this rule constitute material transactions which the director determines may adversely affect the interests of the insurer's policyholders within the meaning of section 382.195.1(5), RSMo.



(2) Each of the following transactions involving a domestic insurer and any person in its holding company system may not be entered into unless the insurer has notified the director in writing through use of Form D to 20 CSR 200-11.101 of its intention to enter into such transaction at least thirty (30) days prior thereto, or such shorter period as the director may permit, and the director has not disapproved it within such period (see section 382.195.1, RSMo):

(A) Any tax allocation agreement, arrangement or contract; and

(B) Any other agreement, arrangement, or contract, except for those agreements, arrangements or contracts covered by subsection (2)(A) of this rule or subdivisions (1) through (4) of section 382.195.1, RSMo, in which the consideration by or from or anticipated by or from the insurer has a value exceeding one-half of one percent (0.5%) of the insurer's admitted assets as of the thirty-first day of December next preceding.

(3) A domestic insurer may not enter into transactions, whether described in section (2) of this rule or subsection 1. of section 382.195, RSMo, which are part of a plan or series of like transactions with persons within the holding company system if the purpose of those separate transactions is to avoid the statutory or regulatory threshold amount and thus avoid the review that would occur otherwise. If the director determines that such separate transactions were entered into over any twelve (12)-month period for such purpose, the director may exercise the director's authority under section 382.265, RSMo.

*AUTHORITY: sections 374.045 and 382.195, RSMo 2000.\* Original rule filed June 14, 2001, effective Dec. 30, 2001.*

*\*Original authority: 374.045, RSMo 1967, amended 1993, 1995; 382.195, RSMo 1992.*

### 20 CSR 200-11.130 Materiality, Fairness and Reasonableness of Certain Affiliated Transactions

*PURPOSE: The purpose of this rule is to carry out the provisions of section 382.190, RSMo 2000. Specifically, this rule provides the standards by which the director will determine whether a transaction is material for purposes of section 382.190(1) and (2), RSMo, whether the terms of material transactions between a registered insurer and its affiliates are "fair and reasonable" for purposes of section 382.190(1), RSMo, and whether charges or fees for services are "reasonable" for purposes of section 382.190(2), RSMo.*

(1) A transaction is a "material transaction" for purposes of section 382.190(1) and (2), RSMo, if:

(A) It involves a registered insurer and one (1) or more of its affiliates; and

(B) Such transaction:

1. Involves more than one-half of one percent (0.5%) of such insurer's admitted assets as of the thirty-first day of December next preceding the transaction; or

2. Is part of a plan or series of like transactions with persons within the same holding company system as such insurer and the purpose of such transactions is to avoid the threshold established in paragraph 1 of subsection (B) of this section and thus avoid the review that would otherwise occur.

(2) A transaction which is not a material transaction need not comply with the standards set forth in section 382.190(1) and (2), RSMo.

(3) Standards for Charges, Fees and Other Consideration:

(A) For Services.

1. The charges, fees or other consideration, paid by the registered insurer to an affiliate for a service shall not exceed the direct cost to the registered insurer. "Direct cost" means the expenses and costs to the registered insurer of directly performing substantially the same service for itself. The direct cost shall be determined by consistently applied, objectively verifiable, generally recognized, internal accounting practices.

2. If and only if the registered insurer cannot determine its direct cost, the charge or fee paid by the registered insurer to an affiliate for a service shall not exceed the cost of obtaining substantially the same service on the open market where the service is obtainable from a person:

A. Who is not affiliated with the insurer; and

B. Either:

(I) Whose cost to the insurer represents the lowest and best bid for such service, such bid having been submitted in response to a request for proposal in a competitive bidding process approved by the director; or

(II) Whose cost to the insurer represents a price that is, with respect to substantially the same service, typical of the price paid by other persons who are affiliated with neither the vendor nor the insurer.

(B) For Assets or Goods. The charges, fees or other consideration, paid by the registered insurer to an affiliate for an asset or good shall not exceed the cost of obtaining substantially the same asset or good on the open

market. An asset or good is obtained on the open market where the service is obtainable from a person:

1. Who is not affiliated with the insurer; and

2. Either:

A. Whose cost to the insurer represents the lowest and best bid for such asset or good, such bid having been submitted in response to a request for proposal in a competitive bidding process approved by the director; or

B. Whose cost to the insurer represents a price that is, with respect to substantially the same asset or good, typical of the price paid by other persons who are affiliated with neither the vendor nor the insurer.

(C) Notwithstanding the provisions of subsections (A) and (B) of this section, a transaction between a registered insurer and its affiliates will be deemed fair and reasonable, if the transaction is the direct result of a winning bid submitted by the affiliate in a competitive bidding process that has been approved by the director.

(4) The director shall presume that a material transaction is fair and reasonable, if such material transaction complies with the standards set forth in section (3) of this rule. The director shall presume that a material transaction is neither fair nor reasonable, if such material transaction does not comply with the standards set forth in section (3) of this rule. Any person may seek during the appropriate administrative proceeding (e.g., a Form D or an examination) to rebut a presumption created by this section, but evidence relating to whether a transaction is fair or reasonable will be viewed with a bias in favor of the applicable presumption.

*AUTHORITY: sections 374.045 and 382.240, RSMo 2000.\* Original rule filed Dec. 4, 2001, effective June 30, 2002.*

*\*Original authority: 374.045, RSMo 1967, amended 1993, 1995; 382.240, RSMo 1971.*

### 20 CSR 200-11.150 Dividends

*PURPOSE: This rule effectuates or aids in the interpretation of section 375.380, RSMo and implements section 382.210, RSMo with regard to payments of dividends by insurers.*

(1) Constructive Dividends.

(A) Any payment or other distribution of property by an insurer made or attributable to a shareholder with respect to its stock shall be deemed a dividend under sections 375.380



and 382.210, RSMo, except as stated in subsection (1)(B) of this rule.

(B) From the payments or other distributions under subsection (1)(A) of this rule:

1. There shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred in carrying on any trade or business, including:

A. A reasonable allowance for salaries or other compensation for personal services actually rendered;

B. Traveling expenses (including amounts expended for meals and lodging other than amounts which are lavish or extravagant under the circumstances) while away from home in the pursuit of a trade or business; and

C. Rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, of property to which the insurer has not taken or is not taking title or in which it has no equity.

2. There shall be allowed as a deduction, but only to the extent not deducted under paragraph (1)(B)1. of this rule, the fair market value of any property, to which the insurer has taken or is taking title or in which it has equity, received in consideration of that payment or other distribution.

(C) As used in this section of this rule the following terms mean:

1. Insurer means only a stock insurance company organized under the laws of Missouri; except a foreign insurance company shall be deemed an insurer if the laws of the foreign insurer's state of domicile do not include provisions substantially similar to sections 382.010—382.300, RSMo;

2. Property means money, securities and other property; except that this term does not include stock in the insurer making the distribution (or rights to acquire the stock); and

3. Shareholder means any person directly or indirectly owning or controlling stock in an insurer.

(D) A shareholder's interest in a partnership, estate or trust, and a shareholder's stock in a corporation, includes the interests or stock owned by the shareholder's spouse, children, grandchildren or parents, as qualified under paragraphs (1)(D)2. and 3. of this rule. A payment or other distribution to a partnership, estate or corporation includes any payment or other distribution to any entity controlled by that partnership, estate or corporation. For purposes of this section of this rule, a payment or other distribution is attributable to a shareholder, if it is made—

1. Directly to the shareholder;

2. To the shareholder's spouse (other than a spouse who is legally separated from

the shareholder under a decree of divorce or separate maintenance);

3. To the shareholder's children, grandchildren or parents (a legally adopted child shall be treated as a child by blood);

4. To a partnership or estate, in proportion to the shareholder's interest in the partnership or estate;

5. To a trust, in proportion to the shareholder's actuarial interest as a beneficiary of that trust; or

6. To a corporation, in proportion to the shareholder's stock in that corporation.

(E) Notwithstanding any provision of this section to the contrary, payments or other distributions made or attributable to shareholders and undeclared as dividends by the insurer shall not be deemed a dividend, if and only if the total amount of all payments and distributions during a calendar year does not exceed one-half of one percent (1/2%) of the insurer's policyholders' surplus as of the December 31 next preceding. However, if that total amount exceeds the one-half of one percent (1/2%) of policyholders' surplus, then all these payments or distributions shall be fully subject to subsections (1)(A)—(D) of this rule, including the amount which would otherwise have been exempt under this subsection.

(F) Nothing in this rule is intended to cause double counting of a transaction. To the extent a payment is a reduction in Net Gain from Operations before it is determined to be a constructive dividend it shall not be a reduction to Net Gain from Operations after the constructive dividend determination. Net Gain from Operations, and Policyholders' Surplus before the constructive dividend, will be recalculated making this adjustment before determining whether the company is in compliance with section 375.380 or 382.210, RSMo.

(2) Surplus Profits.

(A) Surplus profits as used in section 375.380, RSMo shall mean the amount stated in the company's financial statements as unassigned funds. A company has surplus profits only to the extent it has positive unassigned funds adjusted for subsection (1)(F), if applicable.

(B) Notwithstanding any other rule or National Association of Insurance Commissioners' guideline to the contrary, an insurer domiciled in this state may choose to reflect in the unassigned funds account only the company's accumulated net profits and losses. Any company so choosing shall—

1. Place all other items which would otherwise be placed into the unassigned funds in that policyholders' surplus account desig-

nated for other or aggregate write-ins for other than special surplus funds; and

2. Notify the chief financial examiner in writing of its choice at the same time as or before it files its first financial statement using this choice.

(C) The election permitted by subsection (2)(B) of this rule may be elected once by the insurer. However, upon advance application by the insurer and prior approval by the director, an insurer may subsequently revert to its prior accounting treatment upon satisfying the director that extraordinary circumstances arising after the election justify such a reversion.

*AUTHORITY: sections 374.045 and 382.240, RSMo 1986.\* Original rule filed Feb. 18, 1993, effective Nov. 8, 1993. Amended: Filed Dec. 1, 1993, effective July 10, 1994.*

*\*Original authority: 374.045, RSMo 1967 and 382.240, RSMo 1972.*

## 20 CSR 200-11.200 Proxies, Consents, Authorizations and Disclosure Requirements

*PURPOSE: This rule provides for the regulation of proxies, consents and authorizations of domestic stock insurance companies in Missouri in order to maintain state regulation of insurance. Domestic stock insurance companies are exempt from Securities and Exchange Commission regulations on condition that—a) they file annual statements with their domiciliary insurance department, b) statutory regulation of insider trading activities be enacted in each state and c) proxy rules substantially similar to those of the Securities and Exchange Commission be adopted. The provisions of this rule are substantially similar to those rules. This rule was adopted pursuant to the provisions of section 374.045, RSMo, implementing and effectuating section 375.191, RSMo.*

(1) Application of Rule. This rule is applicable to each domestic stock insurer which has any class of equity security held by record by one hundred (100) or more persons; provided, however, that this rule shall not apply to any insurer if ninety-five percent (95%) or more of its equity securities are owned or controlled by a parent or an affiliated insurer and the remaining securities are held of record by fewer than five hundred (500) persons. A domestic stock insurer which files with the Securities and Exchange Commission (SEC) forms of proxies, consents and authorizations complying with the requirements of the Securities Exchange Act



of 1934 and the applicable regulations promulgated shall be exempt from the provisions of this rule with respect to any class of securities subject to SEC jurisdiction.

(2) Proxies, Consents and Authorizations. No domestic stock insurer or any director, officer or employee of the insurer subject to section (1) or any other person shall solicit or permit the use of his/her name to solicit by mail or otherwise, any proxy, consent or authorization in respect to any class of equity security of the insurer held of record by one hundred (100) or more persons in contravention of this rule and Schedules A and B annexed and made a part of this rule.

(3) Disclosure of Equivalent Information.

(A) Unless proxies, consents or authorizations in respect to any class of equity security of a domestic insurer subject to section (1) are solicited by or on behalf of the management of the insurer from the holders of record of the security in accordance with this rule and the schedules in this rule prior to any annual or other meeting of the security holders, the insurer, in accordance with this rule, shall file with the director and transmit to all security holders of record information substantially equivalent to the information which would be required to be transmitted if a solicitation were made. The insurer shall transmit a written information statement containing the information specified in subsection (5)(D) to every security holder who is entitled to vote in regard to any matter to be acted upon at the meeting and from whom a proxy is not solicited on behalf of the management of the insurer; provided, that in the case of a class of securities in unregistered or bearer form, the statement need be transmitted only to those security holders whose names and addresses are known to the insurer.

(4) Definitions.

(A) The definitions and instructions set out in Schedule SIS, as promulgated by the National Association of Insurance Commissioners and as furnished annually by the Department of Insurance to insurers, shall be applicable for purposes of this rule.

(B) For purposes of this rule, the terms solicit and solicitation shall include:

1. Any request for a proxy, whether or not accompanied by or included in a form of proxy;

2. Any request to execute, not to execute or to revoke a proxy; or

3. The furnishing of a form of proxy or other communication to security holders under circumstances reasonably calculated to

result in the procurement, withholding or revocation of a proxy.

(C) The terms solicit and solicitation shall not include:

1. Any solicitation by a person in respect to securities of which s/he is the beneficial owner;

2. Action by a broker or other person in respect to securities carried in his/her name or in the name of his/her nominee in forwarding to the beneficial owner of the securities soliciting material received from the insurer or impartially instructing the beneficial owner to forward a proxy to the person, if any, to whom the beneficial owner desires to give a proxy or impartially requesting instructions from the beneficial owner with respect to the authority to be conferred by the proxy and stating that a proxy will be given if the instructions are received by a certain date; and

3. The furnishing of a form of proxy to the security holder upon the unsolicited request of the security holder or the performance by any person of ministerial acts on behalf of a person soliciting a proxy.

(5) Information to be Furnished to Security Holders.

(A) No solicitation subject to this rule shall be made unless each person solicited is concurrently furnished or previously has been furnished with a written proxy statement containing the information specified in Schedule A.

(B) If the solicitation is made on behalf of the management of the insurer and relates to an annual meeting of security holders at which directors are to be elected, each proxy statement furnished pursuant to subsection (5)(A) shall be accompanied or preceded by an annual report (in preliminary or final form) to the security holders containing the financial statements for the last fiscal year as are referred to in Schedule SIS under the heading—"Financial Reporting to Stockholders." Subject to the previously mentioned requirements with respect to financial statements, the annual report to security holders may be in any form deemed suitable by the management.

(C) Two (2) copies of each report sent to the security holders pursuant to this section shall be mailed to the director not later than the date on which the report is first sent or given to security holders or the date on which preliminary copies of solicitation material are filed with the director pursuant to subsection (5)(A), whichever date is later.

(D) If no solicitation is being made by management of the insurer with respect to any annual or other meeting, the insurer shall

mail to every current security holder of record, to arrive at least twenty (20) days prior to the meeting date, an information statement as required by section (3), containing the information called for by all of the items of Schedule A, other than 1, 3 and 4, which would be applicable to any matter to be acted upon at the meeting if proxies were to be solicited in connection with the meeting. If the information statement relates to an annual meeting at which directors are to be elected, it shall be accompanied by an annual report to the security holders in the form provided in subsection (5)(B).

(6) Requirements as to Proxy and Information Statement.

(A) The form of proxy shall indicate in bold-face type whether or not the proxy is solicited on behalf of the management, shall provide a specifically designated blank space for dating the proxy and shall identify clearly and impartially each matter or group of related matters intended to be acted upon, whether proposed by the management or security holders. No reference need be made to proposals as to which discretionary authority is conferred pursuant to subsection (6)(C).

(B) Means shall be provided in the proxy or the person solicited to specify by ballot a choice between approval or disapproval of each matter or group of related matters referred to other than elections to office. A proxy may confer discretionary authority with respect to matters as to which a choice is not so specified if the form of proxy states in bold-face type how it is intended to vote the shares or authorization represented by the proxy in each case.

1. A form of proxy which provides both for elections to office and for action on other specified matters shall be prepared so as to clearly provide, by box or otherwise, means by which the security holder may withhold authority to vote for elections to office.

2. Any form of proxy which is executed by the security holder in a manner as not to withhold authority to vote for elections to office shall be deemed to grant that authority, provided the form of proxy so states in bold-face type.

(C) A proxy may confer discretionary authority with respect to other matters which may come before the meeting, provided the persons on whose behalf the solicitation is made are not aware a reasonable time prior to the time the solicitation is made that any other matters are to be presented for action at the meeting and provided further that a specified statement to that effect is made in the proxy statement or in the form of proxy.



(D) No proxy shall confer authority to vote for the election of any person to any office for which a *bona fide* nominee is not named in the proxy statement or to vote; at any annual meeting other than the next annual meeting (or any adjournment) to be held after the date on which the proxy statement and form of proxy are first sent or given to security holders.

(E) The proxy statement or form of proxy shall provide, subject to reasonable specified conditions, that the proxy will be voted and that where the person solicited specifies, by means of the ballot provided pursuant to subsection (6)(B), a choice with respect to any matter to be acted upon, the vote will be in accordance with the specifications so made.

(F) The information included in the proxy statement or information statement shall be clearly presented and the statements made shall be divided into groups according to subject matter, with appropriate headings. All printed proxy statements or information statements shall be clearly and legibly presented.

(7) Material Required to be Filed.

(A) Two (2) preliminary copies of the information statement or proxy statement and form of proxy and any other soliciting material to be furnished to security holders concurrently shall be filed with the director at least ten (10) days prior to the date definitive copies of the material are first sent or given to security holders or the shorter period prior to that date as the director may authorize upon a showing of good cause.

(B) Two (2) preliminary copies of any additional soliciting material relating to the same meeting or subject matter to be furnished to security holders subsequent to the proxy statements shall be filed with the director at least two (2) days (exclusive of Saturdays, Sundays or holidays) prior to the date copies of this material are first sent or given to security holders or a shorter period prior to the date as the director may authorize upon a showing of good cause.

(C) Two (2) definitive copies of the information statement or the proxy statement, form of proxy and all other soliciting material, in the form in which this material is furnished to security holders, shall be filed with or mailed for filing to, the director not later than the date material is first sent or given to the security holders.

(D) Where any information statement or proxy statement, form of proxy or other material filed pursuant to this rule is amended or revised, two (2) of the copies shall be marked to clearly show these changes.

(E) Copies of replies to inquiries from security holders requesting further informa-

tion and copies of communications which do no more than request that forms of proxy solicited be signed and returned need not be filed pursuant to this section.

(F) Notwithstanding the provisions of subsections (7)(A) and (B) and (10)(E), copies of soliciting material in the form of speeches, press releases and radio or television scripts may be filed, but need not, with the director prior to use or publication. Definitive copies, however, shall be filed with or mailed for filing to the director as required by subsection (7)(C) not later than the date that material is used or published. The provisions of subsections (7)(A) and (B) and (10)(E) shall apply, however, to any reprints or reproductions of all or any part of that material.

(8) False or Misleading Statements. No proxy statement, form of proxy, notice of meeting information statement or other communication, written or oral, subject to this rule, shall contain any statement which, at the time and in the light of the circumstances under which it is made, is false or misleading with respect to any material fact or which omits to state any material fact necessary in order to make the statements not false or misleading or necessary to correct any statement in any earlier communication with respect to the same meeting or subject matter which has become false or misleading.

(9) Prohibition of Certain Solicitations. No person making a solicitation which is subject to this rule shall solicit any undated or post-dated proxy or any proxy which provides that it shall be deemed to be dated as of any date subsequent to the date on which it is signed by the security holder.

(10) Special Provisions Applicable to Election Contest.

(A) Applicability. This section shall apply to any solicitation subject to this rule by any person or group for the purpose of opposing a solicitation subject to this rule by any other person or group with respect to the election or removal of directors at any annual or special meeting of security holders.

(B) Participant or Participant in a Solicitation.

1. For purposes of this section, the terms participant and participants in a solicitation include: the insurer; any director of the insurer and any nominee for whose election as a director proxies are solicited; or any other person, acting alone or with one (1) or more other persons, committees or groups, in organizing, directing or financing the solicitation.

2. For the purposes of this section, the terms participant and participant in a solicitation do not include: a bank, broker or dealer who, in the ordinary course of business, lends money or executes orders for the purchase or sale of securities and who is not otherwise a participant; any person or organization retained or employed by a participant to solicit security holders or any person who merely transmits proxy soliciting material or performs ministerial or clerical duties; any person employed in the capacity of attorney, accountant or advertising, public relations or financial adviser and whose activities are limited to the performance of his/her duties in the course of the employment; any person regularly employed as an officer or employee of the insurer or any of its subsidiaries or affiliates who is not otherwise a participant; or any officer or director of or any person regularly employed by any other participant, if the officer, director or employee is not otherwise a participant.

(C) Filing of Information Required by Schedule B.

1. No solicitation subject to this section shall be made by any person other than the management of an insurer unless, at least five (5) business days prior to the solicitation or a shorter period as the director may authorize upon a showing of good cause, there has been filed, with the director by or on behalf of each participant in the solicitation, a statement in duplicate containing the information specified by Schedule B and a copy of any material proposed to be distributed to security holders in furtherance of that solicitation. Where preliminary copies of any materials are filed, distribution to security holders should be deferred until the director's comments have been received and complied with.

2. Within five (5) business days after a solicitation subject to this section is made by the management of an insurer or a longer period as the director may authorize upon a showing of good cause, there shall be filed with the director by or on behalf of each participant in that solicitation, other than the insurer and by or on behalf of each management nominee for director, a statement in duplicate containing the information specified by Schedule B.

3. If any solicitation on behalf of management or any other person has been made or if proxy material is ready for distribution, prior to a solicitation subject to this section in opposition thereto, a statement in duplicate containing the information specified in Schedule B shall be filed with the director, by or on behalf of each participant in the prior solicitation, other than the insurer, as soon as



reasonably practicable after the commencement of the solicitation in opposition thereto.

4. If, subsequent to the filing of the statements required by paragraphs (10)(C)1.–3., additional persons become participants in a solicitation subject to this section, there shall be filed with the director, by or on behalf of each person, a statement in duplicate containing the information specified by Schedule B within three (3) business days after the person becomes a participant or a longer period as the director may authorize upon a showing of good cause.

5. If any material change occurs in the facts reported in any statement filed by or on behalf of any participant, an appropriate amendment in the statement shall be filed promptly with the director.

6. Each statement and amendment filed pursuant to this subsection shall be part of the public files of the director.

(D) Solicitations Prior to Furnishing Required Proxy Statement. Notwithstanding the provisions of subsection (5)(A), a solicitation subject to this section may be made prior to furnishing security holders a written proxy statement containing the information specified in Schedule A with respect to the solicitation; provided, that—

1. The statement required by subsection (10)(C) is filed by or on behalf of each participant in the solicitation;

2. No form of proxy is furnished to security holders prior to the time the written proxy statement required by subsection (5)(A) is furnished to those persons. Provided, however, that paragraph (10)(D)2. shall not apply where a proxy statement then meeting the requirements of Schedule A has been furnished to security holders;

3. At least the information specified in paragraphs (10)(C)2. and 3. to be filed by each participant or an appropriate summary are included in each communication sent or given to security holders in connection with the solicitation; and

4. A written proxy statement containing the information specified in Schedule A with respect to a solicitation is sent or given security holders at the earliest practicable date.

(E) Solicitations Prior to Furnishing Required Written Proxy Statement—Filing Requirements. Two (2) copies of any soliciting material proposed to be sent or given to security holders prior to the furnishing of the written proxy statement required by subsection (5)(A) shall be filed with the director in preliminary form at least five (5) business days prior to the date definitive copies of the material are first sent or given to those persons or a shorter period as the director may authorize upon a showing of good cause.

(F) Application of This Section to Annual Report. Notwithstanding the provisions of subsections (5)(B) and (C), two (2) copies of any portion of the annual report referred to in subsection (5)(B) which comments upon or refers to any solicitation subject to section (10) or to any participant in any this solicitation, other than the solicitation by the management, shall be filed with the director, as proxy material subject to regulation. That portion of the report shall be filed with the director, in preliminary form, at least five (5) business days prior to the date copies of the report are first sent or given to security holders.

*AUTHORITY: sections 374.045 and 375.191, RSMo 1986.\* This rule was previously filed as 4 CSR 190-10.020. This version of rule filed Dec. 8, 1965, effective Dec. 31, 1965. Amended: Filed Dec. 5, 1969, effective Dec. 15, 1969. Amended: Filed Aug. 5, 1974, effective Aug. 15, 1974.*

*\*Original authority: 374.045, RSMo 1967 and 375.191, RSMo 1939, amended 1967.*

#### Schedule A Information Required in Proxy Statement or Information Statement

Item 1. Revocability of Proxy. State whether or not the person giving the proxy has the power to revoke it. If the right of revocation before the proxy is exercised, is limited or is subject to compliance with any formal procedure, briefly describe the limitation or procedure.

Item 2. Dissenter's Rights of Appraisal. Outline briefly the rights of appraisal or similar rights of dissenting security holders with respect to any matter to be acted upon and indicate any statutory procedure required to be followed by the security holders in order to perfect their rights. Where the rights may be exercised only within a limited time after the date of the adoption of a proposal, the filing of a charter amendment or other similar act, state whether the person solicited will be notified of that date.

Item 3. Persons Making Solicitations Not Subject to Section 10.

(a) If the solicitation is made by the management of the insurer, so state. Give the name of any director of the insurer who has informed the management in writing that s/he intends to oppose any action intended to be taken by the management and indicate the action which s/he intends to oppose.

(b) If the solicitation is made otherwise than by the management of the insurer, state the names and addresses of the persons by whom and on whose behalf it is made and the names and addresses of the persons by whom the cost of solicitation has been or will be borne, directly or indirectly.

(c) If the solicitation is to be made by specially engaged employees or paid solicitors, state the material features of any contract or arrangement for this solicitation and identify the parties and the cost or anticipated cost of the solicitation.

Item 4. Interest of Certain Persons in Matters to be Acted Upon. Describe briefly any substantial interest, direct or indirect, by security holdings or otherwise, of any director, nominee for election as director, officer and, if the solicitation is made otherwise than on behalf of management, each person on whose behalf the solicitation is made, in any matter to be acted upon, other than elections to office.

Item 5. Voting Securities.

(a) State, as to each class of voting securities of the insurer entitled to be voted at the meeting, the number of shares outstanding and the number of votes to which each class is entitled.

(b) Give the date as of which the record list of security holders entitled to vote at the meeting will be determined. If the right to vote is not limited to security holders of record on that date, indicate the conditions under which other security holders may be entitled to vote.

(c) If action is to be taken with respect to the election of directors and if the persons solicited have cumulative voting rights, make a statement that they have the rights and state briefly the conditions precedent to the exercise of the rights.

Item 6. Nominees and Directors. If action is to be taken with respect to the election of directors, furnish the following information, in tabular form to the extent practicable, with respect to each person nominated for election as a director and each other person whose term of office as a director will continue after the meeting:

(a) Name each such person, state when his/her term of office or the term of office for which s/he is nominee will expire and all other positions and offices with the insurer presently held by him/her and indicate which persons are nominees for election as directors at the meeting.

(b) State his/her present principal occupation or employment and give the name and principal business of any corporation or other



organization in which this employment is carried on. Furnish similar information as to all of his/her principal occupations or employments during the last five (5) years, unless s/he is now a director and was elected to his/her present term of office by a vote of security holders at a meeting for which proxies were solicited under this rule.

(c) If s/he is or has previously been a director of the insurer, state the period or periods during which s/he has served as such.

(d) State, as of the most recent practicable date, the approximate amount of each class of equity securities of the insurer or any of its parents, subsidiaries or affiliates other than directors' qualifying shares, beneficially owned directly or indirectly by him/her. If s/he is not the beneficial owner of any such securities, make a statement to that effect.

**Item 7. Remuneration and Other Transactions With Management and Others.** Furnish the information reported or required in Item 1. of Schedule SIS under the heading—Information Regarding Management and Directors if action is to be taken with respect to—*a*) the election of directors, *b*) any remuneration plan, contract or arrangement in which any director, nominee for election as a director or officer of the insurer will participate, *c*) any pension or retirement plan in which any such person will participate or *d*) the granting or extension to any such person of any options, warrants or rights to purchase any securities, other than warrants or rights issued to security holders, as such, on a *pro rata* basis. If the solicitation is made on behalf of persons other than the management, information shall be furnished only as to Item 1.A of the previously mentioned heading of Schedule SIS.

**Item 8. Bonus, Profit-Sharing and Other Remuneration Plans.** If action is to be taken with respect to any bonus, profit-sharing or other remuneration plan, of the insurer, furnish the following information:

(a) A brief description of the material features of the plan, each class of person who will participate, the approximate number of persons in each such class and the basis of participation;

(b) The amounts which would have been distributable under the plan during the last calendar year to—

(1) Each person named in Item 7. of this schedule;

(2) Directors and officers as a group; and

(3) All other employees as a group, if the plan had been in effect; and

(c) If the plan to be acted upon may be amended (other than by a vote of security holders) in a manner which would materially

increase the cost of the plan to the insurer or to materially alter the allocation of the benefits as between the groups specified in paragraph (b) of this item, the nature of the amendments should be specified.

**Item 9. Pension and Retirement Plans.** If action is to be taken with respect to any pension or retirement plan of the insurer, furnish the following information:

(a) A brief description of the material features of the plan, each class of persons who will participate, the approximate number of persons in each such class and the basis of such participation;

(b) State—1) the approximate total amount necessary to fund the plan with respect to past services, the period over which the amount is to be paid and the estimated annual payments necessary to pay the total amount over the period, 2) the estimated annual payments to be made with respect to current services and 3) the amount of the annual payments to be made for the benefit of—*i*) each person named in Item 7. of this schedule, *ii*) directors and officers as a group and *iii*) employees as a group; and

(c) If the plan to be acted upon may be amended (other than by a vote of security holders) in a manner which would materially increase the cost thereof to the insurer or to materially alter the allocation of the benefits as between the groups specified in subparagraph (b)(3) of this item, the nature of the amendments should be specified.

**Item 10. Options, Warrants or Rights.** If action is to be taken with respect to the granting or extension of any options, warrants or rights (all referred to in this as warrants) to purchase securities of the insurer or any subsidiary or affiliate, other than warrants issued to all security holders on a *pro rata* basis, furnish the following information:

(a) The title and amount of securities called for or to be called for, the prices, expiration dates and other material conditions upon which the warrants may be exercised, the consideration received or to be received by the insurer, subsidiary or affiliate for the granting or extension of the warrants and the market value of the securities called for or to be called for by the warrants, as of the latest practicable date;

(b) If known, state separately the total amount of securities called for or to be called for by warrants received or to be received by the following persons, naming each person:

1) each person named in Item 7. of this schedule and 2) each other person who will be entitled to acquire five percent (5%) or

more of the securities called for or to be called for by the warrants; and

(c) If known, state also the total amount of securities called for or to be called for by the warrants, received or to be received by all directors and officers of the company as a group and all employees, without naming them.

**Item 11. Authorization or Issuance of Securities.**

1. If action is to be taken with respect to the authorization or issuance of any securities of the insurer, furnish the title, amount and description of the securities to be authorized or issued.

2. If the securities are other than additional shares of common stock of a class outstanding, furnish a brief summary of the following, if applicable: dividend, voting, liquidation, preemptive and conversion rights, redemption and sinking fund provisions, interest rate and date of maturity.

3. If the securities to be authorized or issued are other than additional shares of common stock of a class outstanding, the director may require financial statements comparable to those contained in the annual report.

**Item 12. Mergers, Consolidations, Acquisitions and Similar Matters.**

1. If action is to be taken with respect to a merger, consolidation, acquisition or similar matter, furnish in brief outline the following information:

(a) The rights of appraisal or similar rights of dissenters with respect to any matters to be acted upon. Indicate any procedure required to be followed by dissenting security holders in order to perfect the rights;

(b) The material features of the plan or agreement;

(c) The business done by the company to be acquired or whose assets are being acquired;

(d) If available, the high and low sales prices for each quarterly period within two (2) years; and

(e) The percentage of outstanding shares which must be voted for the transaction before it is consummated.

2. For each company involved in a merger, consolidation or acquisition, the following financial statements should be furnished:

(a) A comparative balance sheet as of the close of the last two (2) fiscal years;

(b) A comparative statement of operating income and expenses for each of the last two (2) fiscal years and as a continuation of each statement, a statement of earnings per



share after related taxes and cash dividends paid per share; and

(c) A *pro forma* combined balance sheet and income and expenses statement for the last fiscal year giving effect to the necessary adjustments with respect to the resulting company.

Item 13. Restatement of Accounts. If action is to be taken with respect to the restatement of an asset, capital or surplus account of the insurer, furnish the following information:

(a) State the nature of the restatement and the date as of which it is to be effective;

(b) Outline briefly the reasons for the restatement and for the selection of the particular effective date; and

(c) State the name and amount of each account affected by the restatement and the effect of the restatement thereon.

Item 14. Matters Not Required to be Submitted. If action is to be taken with respect to any matter which is not required to be submitted to a vote of security holders, state the nature of the matter, the reason for submitting it to a vote of security holders and what action is intended to be taken by the management in the event of a negative vote on the matter by the security holders.

Item 15. Amendment of Charter, Bylaws or Other Documents. If action is to be taken with respect to any amendment of the insurer's charter, bylaws or other documents as to which information is not required in previous items 1.-14., state briefly the reasons for and general effect of the amendment and the vote needed for its approval.

#### Schedule B

##### Information to be Included in Statements Filed by or on Behalf of a Participant (Other Than the Insurer) in a Proxy Solicitation or in an Election Contest

Item 1. Insurer. State the name and address of the insurer.

Item 2. Identity and Background.

(a) State the following:

(1) Your name and business address; and

(2) Your present principal occupation or employment and the name, principal business and address of any corporation or other organization in which such employment is carried on.

(b) State the following:

(1) Your residence address; and

(2) Information as to all material occupations, positions, offices or employments dur-

ing the last ten years, giving starting and ending dates of each and the name, principal business and address of any business corporation or other business organization in which each occupation, position, office or employment was carried on.

(c) State whether or not you are or have been a participant in any other proxy contest involving this company or other companies within the past ten years. If so, identify the principals, the subject matter and your relationship to the parties and the outcome.

(d) State whether or not, during the past ten years, you have been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) and, if so, give dates, nature of conviction, name and location of court and penalty imposed or other disposition of the case. A negative answer to this subitem need not be included in the proxy statement or other proxy soliciting material.

Item 3. Interest in Securities of the Insurer.

(a) State the amount of each class of securities of the insurer which you own beneficially, directly or indirectly.

(b) State the amount of each class of securities of the insurer which you own of record but not beneficially.

(c) State with respect to all securities of the insurer purchased or sold within the past two years, the dates on which they were purchased or sold and the amount purchased or sold on that date.

(d) If any part of the purchase price or market value of any of the securities specified in subitem (c) is represented by funds borrowed or otherwise obtained for the purpose of acquiring or holding these securities, so state and indicate the amount of the indebtedness as of the latest practicable date. If these funds were borrowed or obtained otherwise than pursuant to a margin account or a bank loan in the regular course of business of a bank, broker or dealer, briefly describe the transaction and state the names of the parties.

(e) State whether or not you are a party to any contracts, arrangements or understandings with any person with respect to any securities of the insurer, including, but not limited to, joint ventures, loan or option arrangements, puts or calls, guarantees against losses or guarantees of profits, division of losses or profits or the giving or withholding of proxies. If so, name the persons with whom such contracts, arrangements or understandings exist and give the details thereof.

(f) State the amount of securities of the insurer owned beneficially, directly or indirectly, by each of your associates and the name and address of each such associate.

(g) State the amount of each class of securities of any parent, subsidiary or affili-

ate of the insurer which you own beneficially, directly or indirectly.

Item 4. General Information.

(a) Describe the time and circumstances under which you became a participant in the solicitation and state the nature and extent of your activities or proposed activities as a participant.

(b) Describe briefly and where practicable, state the approximate amount of any material interest, direct or indirect, of yourself and of each of your associates in any material transactions since the beginning of the company's last fiscal year or in any material proposed transactions, to which the company or any of its subsidiaries or affiliates was or is to be a party.

(c) State whether or not you or any of your associates have any arrangement or understanding with any person—

(1) With respect to any future employment by the insurer or its subsidiaries or affiliates; or

(2) With respect to any future transactions to which the insurer or any of its subsidiaries or affiliates will or may be a party. If so, describe such arrangement or understanding and state the names of the parties to the transactions.

Item 5. Signature. The statement shall be dated and signed in the following manner: I certify that the statements made in this statement are true, complete, and correct, to the best of my knowledge and belief.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature of participant or authorized representative)

#### 20 CSR 200-11.300 Management Contracts to be Filed

*PURPOSE: This rule requires each management contract to be filed with the director within five days after its execution. This rule was adopted pursuant to the provisions of section 374.045, RSMo and implements section 375.164, RSMo.*

(1) All agreements or contracts under which any person, organization or corporation enjoys in fact the exclusive or dominant right to manage or control any insurer doing business under any of the insurance laws of this state shall be filed with the director of insurance within five (5) days after the execution of the agreement or contract or, if the agreement is presently in existence, within five (5)



days (August 20, 1974) from the effective date of this rule (August 15, 1974).

(2) Management agreements or contracts by or between the insurer and its directors, officers, attorneys-in-fact or regular employees need not be filed under this rule.

*AUTHORITY: sections 374.045 and 375.164, RSMo 1986.\* This rule was previously filed as 4 CSR 190-10.040. Original rule filed Aug. 5, 1974, effective Aug. 15, 1974.*

*\*Original authority: 374.045, RSMo 1967 and 375.164, RSMo 1939, amended 1967.*