COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
DIVISION OF INSURANCE
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www.mass.gov/doi

Reset form

UNIFORM APPLICATION CHECKLIST FOR CERTIFIED REINSURERS

I. Applicant Information

Company Name: _____

Company NAIC CoCode or Alien Identification Number: _____

Company Mailing Address: _____

_____

Primary Contact Name: _____

Primary Contact Telephone Number: _____

Primary Contact E-mail Address: _____

Domiciliary Jurisdiction/Supervisory Authority: _____

Applicable Lines of Business: _____

_____

II. Filing Requirements for Reinsurer Currently Certified by Another NAIC-Accredited Jurisdiction

If an applicant for certification has been certified as a reinsurer in an NAIC accredited jurisdiction, the Massachusetts Commissioner of Insurance (the "Commissioner") has the discretion to defer to that jurisdiction's certification, and has the discretion to defer to the rating assigned by that jurisdiction; i.e., "passporting".

a. Has the applicant been certified by an NAIC accredited jurisdiction? ◯ Yes or ◯ No

[If "Yes", this state will confirm that the initial or renewal certification has been reviewed by the NAIC Reinsurance Financial Analysis (E) Working Group for passporting purposes.]

b. If the answer to question II.a. is "No", please proceed to the Section III of this application.

c. If the answer to question II.a. is "Yes", please provide the information required under Section II for consideration by the Commissioner.

UNIFORM APPLICATION CHECKLIST FOR CERTIFIED REINSURERS

Citation to State Law / Regulation	Requirements	Yes or No	Comments, References and Supporting Documents
M.G.L. c. 175, § 20A (1)(E)(i)(a) and 211 CMR 130.07(2)(c)(1)	**Status of Domiciliary Jurisdiction:** The applicant must be domiciled and licensed in a Qualified Jurisdiction, as determined by this state.	◯ Yes ◯ No	
M.G.L. c. 175, §20A (1)(E)(i)& (vi) and 211 CMR 130.07(4)	**Verification of Certification Issued by an NAIC Accredited Jurisdiction:** If the applicant is requesting that the Commissioner recognize the certification issued by another NAIC accredited jurisdiction (i.e., "passporting"), the applicant must provide a copy of the approval letter or other documentation provided to the applicant by such NAIC accredited jurisdiction. At a minimum, this letter must contain the following information: a. Name of state(s) in which applicant is currently certified. b. The rating and collateral percentage assigned with respect to the applicant. c. The effective and expiration dates with respect to the certification. d. The lines of business to which the certification is applicable. e. The applicant's commitment to comply with all requirements necessary to maintain certification.	◯ Yes ◯ No	
M.G.L c. 175, §20A (1)(E)(v)(b)	**Mechanisms Used to Secure Obligations Incurred as a Certified Reinsurer:** The applicant must specify the mechanisms it will use to secure obligations incurred as a Certified Reinsurer. If the applicant intends to utilize a multi-beneficiary trust for this purpose, the applicant must submit (1) a copy of the approval from the domiciliary regulator with regulatory oversight of the 100% collateral and reduced collateral multi-beneficiary trusts or its intention to secure the approval of the domiciliary regulator of the trust before either trust can be used;(2) the form of the trust that will be used to secure obligations as a Certified Reinsurer; and (3) the form of the trust that will be used to secure obligations incurred outside of the applicant's certified	◯ Yes ◯ No	

Citation to State Law / Regulation	Requirements	Yes or No	Comments, References and Supporting Documents
	reinsurer status, i.e., the applicant's 100% collateralized trust (if applicable). The form of each trust is required to be submitted pursuant to state law in order to ensure that security for these obligations will be kept separate and to ensure that each trust meets the requirements of the state's Credit for Reinsurance statue and/or regulation.		
211 CMR 130.07(2)(f)	**Form CR-1:** The applicant must provide a **Massachusetts Form CR-1**, which must be properly executed by an officer authorized to bind the applicant to the commitments set forth in the form.	◯ Yes ◯ No	
801 CMR 4.02.211 (17)	**Fee:** $1,000 nonrefundable Application Examination Fee made payable to the Commonwealth of Massachusetts.	◯ Yes ◯ No	
M.G.L. c 175, §20A (1)(E)(1) (e) or (f) 211 CMR 130.07(1)(c)	**Other Requirements:** The applicant must: I. Commit to comply with other reasonable requirements deemed necessary for certification by certifying state. Failure to comply with such requirement could disqualify the reinsurer from certification. II. Provide a statement that the applicant agrees to post 100% security upon the entry of an order of rehabilitation or conservation against the ceding insurer or its estate.	◯ Yes ◯ No	
211 CMR 130.07(2)(a)	**Public Notice Requirement:** The Commissioner is required to post notice on the Massachusetts Division of Insurance's website promptly upon receipt of any application for certification, including instructions on how members of the public may respond to the application. The Commissioner may not take final actions on the application until at least 30 days after posting such notice. The Commissioner will consider any comments received during the public notice period with respect to this application.	◯ Yes ◯ No	

III. Filing Requirements for Full Application

a. The applicant shall provide the information required under Section III if:
   i. The applicant has not been certified by an NAIC accredited jurisdiction;
   ii. The Commissioner makes a determination not to recognize or defer to the certification issued by another NAIC accredited jurisdiction; or
   iii. The applicant is renewing its certification by an NAIC accredited jurisdiction.

b. Check appropriate box: ◯ **Initial Application** ◯ **Renewal Application**

Citation to State Law / Regulation	Requirements	Yes or No	Comments, References and Supporting Documents
M.G.L. c. 175, §20A(1)(E)(i) 211 CMR 137.07(2)	**Status of Domiciliary Jurisdiction / Proof of Licensure and Good Standing:** The applicant must be domiciled and licensed in a Qualified Jurisdiction, as determined by this State. The applicant must be in good standing (or the jurisdiction's equivalent classification) and maintain capital and surplus in excess of its domiciliary jurisdiction's highest regulatory action level. The Commissioner will consider the following information with respect to the applicant's domiciliary jurisdiction: a. Whether the domestic supervisory authority has been approved as a Qualified Jurisdiction in this state. b. Confirmation as to whether the domestic supervisory authority is included on the NAIC List of Qualified Jurisdictions. The applicant must provide the following information: a. A copy from the certificate of authority or license to transact insurance and/or reinsurance form the applicant's domiciliary jurisdiction. b. A certification from the applicant's domestic supervisory authority affirming that the applicant is in good standing (or the jurisdiction's equivalent classification) and maintains capital and surplus in excess of the jurisdiction's highest regulatory action level.	◯ Yes ◯ No	

Citation to State Law / Regulation	Requirements	Yes or No	Comments, References and Supporting Documents
M.G.L c. 175, §20A(1)(E)(v)(b)	**Mechanisms Used to Secure Obligations Incurred as a Certified Reinsurer:** The applicant must specify the mechanisms it will use to secure obligations incurred as a Certified Reinsurer. If the applicant intends to utilize a multi-beneficiary trust for this purpose, the applicant must submit (1) a copy of the approval from the domiciliary regulator with regulatory oversight of the 100% collateral and reduced collateral multi-beneficiary trusts or its intention to secure the approval of the domiciliary regulator of the trust before either trust can be used; (2) the form of the trust that will be used to secure obligations as a Certified Reinsurer; and (3) the form of the trust that will be used to secure obligations incurred outside of the applicant's certified reinsurer status, i.e., the applicant's 100% collateralized trust (if applicable). The form of each trust is required to be submitted pursuant to state law in order to ensure that security for these obligations will be kept separate and to ensure that each trust meets the requirements of the state's Credit for Reinsurance statue and/or regulation.	◯ Yes ◯ No	
211 CMR 130.07(2)(c)	**Financial Strength Ratings:** The applicant must maintain interactive financial strength ratings from two or more acceptable rating agencies. Initial or affirmed financial strength rating dates must be within 15 months of the application date/renewal filing date. The applicant must provide the following: a. Confirm all interactive financial strength ratings currently maintained by the applicant. b. Copies of full rating agency reports with respect to all financial strength ratings currently maintained by the applicant, if available. If a full report is not available, the applicant must provide a letter from the applicable rating agency affirming its current financial strength rating. Initial or	◯ Yes ◯ No	

Citation to State Law / Regulation	Requirements	Yes or No	Comments, References and Supporting Documents
	affirmed financial strength rating dates must be within 15 months of the application date/renewal filing date. c. A description of any changes within the last 3 years in the financial strength rating from an approved rating agency. **Note**: Acceptable rating agencies include A.M. Best, Moody's Investor Services, Standard & Poor's, or any other Nationally Recognized Statistical Rating Organization.		
211 CMR 130.07(2)(d)(5) & (11)	**Disputed and/or Overdue Reinsurance Claims / Business Practices:** The Commissioner may consider the applicant's business practices in dealing with its ceding insurers, including compliance with the contractual terms and obligations. The applicant must provide the following if 1) the applicant's reinsurance obligations to U.S. cedents that are in dispute and/or more than 90 days past due exceed 5% of its total reinsurance obligations to U.S. cedents as of the end of its prior financial reporting year; or 2) the applicant's reinsurance obligations to any of the top 10 U.S. cedents (based on the amount of outstanding reinsurance obligations as of the end of its prior financial reporting year) that are in dispute and/or more than 90 days past due exceed 10% of its reinsurance obligations to that U.S. cedent. Then, in either case, the applicant will provide: a. Notice of that fact to the Commissioner and a detailed explanation regarding the reason(s) for the amount of disputed or overdue claims exceeding the levels noted above; and b. A description of the applicant's business practices in its dealing with U.S. ceding insurers and a statement that the applicant commits to comply with all contractual requirements	◯ Yes ◯ No	

Citation to State Law / Regulation	Requirements	Yes or No	Comments, References and Supporting Documents
	applicable to reinsurance contract with U.S. ceding insurers. Upon receipt of such notice and explanation, the Commissioner may request additional information concerning the applicant's claims practices with regard to any or all U.S. ceding insurers.		
211 CMR 130.07(2)(d)	**Schedules for Reinsurance Assumed and Reinsurance Ceded:** The applicant must provide the following: a. For applicants domiciled in the U.S., provide the most recent NAIC Annual Statement Blank Schedule F (property/casualty) and/or Schedule S (life and health). b. For applicants domiciled outside the U.S. provide Form CR-F (property/casualty) and/or Form CR-S (life and health), completed in accordance with the instructions adopted by the NAIC.	◯ Yes ◯ No	
211 CMR 130.07(2)(d)	**Regulatory Actions:** The applicant must provide a description of any regulatory actions taken against the applicant. a. Include all regulatory actions, fines and penalties, regardless of the amount. b. Provide a description of any changes with respect to the provisions of the applicant's domiciliary license. Note: Reinsurance-FAWG requires this information for the last three years for passporting purposes.	◯ Yes ◯ No	
211 CMR 130.07(2)	**Financial/Regulatory Filings:** The applicant must provide the following: a. A copy of the most recent report of the independent auditor. b. Copies of the audited financial statements for the last 3 years. Financial statements must	◯ Yes ◯ No	

Citation to State Law / Regulation	Requirements	Yes or No	Comments, References and Supporting Documents
	demonstrate that the applicant has the minimum capital and surplus, or the equivalent, of at least $250,000,000. If the applicant is an association including incorporated and individual unincorporated underwriters, statements must demonstrate that the applicant has capital and surplus equivalents (net of liabilities) of at least $250,000,000, and a central fund containing a balance of at least $250,000,000. Please note the following requirements with respect to these financial statements: • Audited U.S. GAAP basis statements must be submitted if available. • Audited IFRS basis statements are acceptable but must include an audited footnote reconciling equity and net income to a U.S. GAAP basis. • With the permission of the Commissioner, an applicant may be allowed to submit audited IFRS basis statements with reconciliation to U.S. GAAP certified by an officer of the applicant. The reconciliation of equity and net income must include all adjustments (positive or negative) by line item equal to or greater than 5% of equity and/or in aggregate equal to or greater than 10% of equity where each line item is less than 5% of equity. • Upon the initial certification, the Commissioner may consider audited financial statements for the last 3 years as filed with the applicant's non-U.S. jurisdiction supervisor. If the Commissioner accepts such statements in the initial filing, the applicant must acknowledge and commit that		

Citation to State Law / Regulation	Requirements	Yes or No	Comments, References and Supporting Documents
	future financial filings will include the appropriate reconciliation to a U.S. GAAP basis, as indicated above. c. A copy of the Actuarial Opinion and other regulatory filings, as filed with the applicant's domiciliary supervisor. Note: Reinsurance-FAWG requires a stand-alone Actuarial Opinion for passporting purposes, or the functional equivalent under the Supervisors applicable Actuarial Function Holder Regime.		
M.G.L. c. 175, § 20A (1)(E)(i) 211 CMR 130.07(2)(d)	**Solvent Schemes of Arrangement:** The applicant must provide: a. A description of any past, present or proposed future participation in any solvent scheme of arrangement, or any similar procedure, involving U.S. ceding insurers. b. A statement that the applicant commits to notify the Commissioner of any future proposed participation in any solvent scheme of arrangement, or similar procedure, as soon as practicable.	◯ Yes ◯ No	
211 CMR 130.07(2)(d)(4)	**Form CR-1:** The applicant must provide a **Massachusetts Form CR-1**, which must be properly executed by an officer authorized to bind the applicant to the commitments set forth in the form.	◯ Yes ◯ No	
801 CMR 4.02.211(17)	**Fee:** $1,000 nonrefundable Application Examination Fee made payable to the Commonwealth of Massachusetts.	◯ Yes ◯ No	
M.G.L. c. 175, § 20A (1)(E)(i)(e) or (f)	**Other Requirements:** The applicant must: a. Commit to comply with other reasonable requirements deemed necessary for certification by the certifying state.	◯ Yes ◯ No	

Citation to State Law / Regulation	Requirements	Yes or No	Comments, References and Supporting Documents
	b. Provide a statement that the applicant agrees to post 100% security upon the entry of an order of rehabilitation or conservation against the ceding insurer or its estate.		
211 CMR 130.07(2)(a)	**Public Notice Requirement:** The Commissioner is required to post notice on the Massachusetts Division of Insurance's website promptly upon receipt of any application for certification, including instructions on how members of the public may respond to the application. The Commissioner may not take final actions on the application until at least 30 days after posting such notice. The Commissioner will consider any comments received during the public notice period with respect to this application.	◯ Yes ◯ No	

Please submit an electronic copy of the application to Companies.Mailbox@mass.gov and submit a **check payable to the Commonwealth of Massachusetts-Division of Insurance for $1,000.00** for the nonrefundable Application Examination Fee to:

Commonwealth of Massachusetts
Division of Insurance
Company Licensing Section
1 Federal Street, Suite 700
Boston, MA 02110

For questions regarding this application please contact the Company Licensing Section of the Massachusetts Division of Insurance at companies.mailbox@mass.gov.