



Florida Office of Insurance Regulation

APPLICATION FOR PERMIT DOMESTIC RECIPROCAL INSURER

This packet is designed to assist individuals in preparing the application in accordance with Florida Statutes and Rules and to facilitate expeditious processing of the application by the Florida Office of Insurance Regulation (Office).

Please submit all documents required by this packet in searchable PDF format unless otherwise indicated or required by Florida Statutes.

If this packet requires submission of forms or rates, upon receipt of an email notification of acceptance of the application, the Applicant is directed to return to the Industry Portal <https://www.floir.com/iportal> and select Insurance Regulation Filing System (IRFS) to begin the submission of forms and/or rates.

In order for a submission to be considered a complete application, all required information must be included in the filing, including the completed application checklist.

The completed application packet must be submitted to the Office by following the link:

<https://www.floir.com/iportal>

Any questions concerning this application packet may be directed to lhappcoord@floir.com for Life & Health applicants or pcappcoord@floir.com for Property & Casualty applicants.

APPLICATION FOR PERMIT DOMESTIC RECIPROCAL INSURER

INSTRUCTIONS

SECTION I - APPLICATION FORM & FEES

Section I-1 Application and License Fees

Applicants must pay a license fee of \$1,000 USD and an application fee of \$1,525 USD, pursuant to Sections 629.081(3) and 624.501, Florida Statutes. These fees are due at the time the application packet is filed and are nonrefundable.

Section I-2 Fingerprint Fees

Applicants are required to pay a fee directly to the vendor for the processing of the fingerprint cards as required in Section IV-4.

Section I-3 Application Checklist and Certification

Applicant should complete pages 8-10 and return them with its application.

SECTION II – LEGAL

Section II-1 Draft Organizational Documents

The Office will not approve drafts of the below documents that are inconsistent or not in accordance with applicable law.

1. Appointment of Attorney and Power of Attorney

Submit a copy of the proposed designation and appointment of the Attorney-in-Fact and a copy of the proposed power of attorney.

2. Draft Charter of the Subscriber's Advisory Committee

Submit a copy of the proposed charter for the Subscribers' Advisory Committee, or equivalent document.

3. Draft of the Subscribers' Agreement

Submit a copy of the proposed subscriber's agreement.

Section II-2 Foreign Certificate of Status (Attorney-in-Fact)

If the Attorney-in-Fact is not a Florida domestic company, submit a certificate of status from the domiciliary jurisdiction dated within the last year. A certificate of status is a document issued by the public official having supervision of the records of business entities in the Attorney-in-Fact's home state or jurisdiction of domicile, usually the Secretary of State or equivalent office, that shows that the Attorney-in-Fact is duly organized in the state or jurisdiction of domicile and that all taxes and fees have been paid.

OIR-C1-908

Effective: 01/25

Rule 69O-136.100, F.A.C.

APPLICATION FOR PERMIT DOMESTIC RECIPROCAL INSURER

Section II-3 Florida Certificate of Status (Attorney-in-Fact)

Submit a certificate of status for the Attorney-in-Fact from the Florida Secretary of State dated within the last year.

Section II-4 Articles of Incorporation (Attorney-in-Fact)

Submit a copy of the Attorney-in-Fact's Articles of Incorporation, or equivalent document, complete with all amendments, certified within the last year by the public official with whom the originals are on file in the state or jurisdiction of domicile.

Section II-5 Bylaws (Attorney-in-Fact)

Submit a copy of the Attorney-in-Fact's Bylaws, or equivalent document. This document should be certified by Applicant's Secretary as a true and correct copy of the current document and dated within the last year. Only the Secretary's signature will be accepted unless the Attorney-in-Fact does not have this position.

Section II-6 Authorization Letter

Provide a letter of authorization for any person, other than Applicant's personnel, who is authorized to represent the Applicant before the Office in this matter. This letter should be dated within the last year.

SECTION III - FINANCIAL

Section III-1 Plan of Operation

It is important for the Office to have a clear understanding of the proposed operations of the new insurer and the goals it seeks to achieve. To meet this requirement, Applicant must furnish a three-year Plan of Operation. If Applicant's proposed Attorney-in-Fact is owned or controlled by a financial institution as defined in Section 626.9885, Florida Statutes, please refer to restrictions outlined in this statute when developing the Plan of Operation. The Plan must include all major areas of the proposed operations, including, but not limited to, the following:

1. A brief history of Applicant and its proposed Attorney-in-Fact.
2. A brief description of the management experience of each individual (by name) involved in the following areas: Marketing, Underwriting, Rating, Reserving, Reinsurance, Claims Handling, Accounting, Investments, and Managing General Agents.
3. Submit Form OIR-C1-1416, Uniform Certificate of Authority Application (UCAA) Lines of Insurance, reflecting the lines of insurance Applicant intends to write in Florida.
4. Description of insurance products to be marketed in each line of insurance and planned dates of initial marketing of each line.
5. A three-year plan of marketing, including commission rates, use of brokering agents, third-party administrators, and other administrative expenses.

OIR-C1-908

Effective: 01/25

Rule 69O-136.100, F.A.C.

APPLICATION FOR PERMIT DOMESTIC RECIPROCAL INSURER

6. Provide planned use of reinsurance including the purpose of the reinsurance and the degree to which it is to be used in relation to the amount of insurance in force. Include retentions and limits of liability for the proposed reinsurance as well as catastrophe coverage and the largest amount retained on one risk.
7. Submit a statement regarding any planned changes in operations during the next three years. If no changes are planned, a statement to that effect.
8. Provide a list of all assumptions used in construction of the pro forma financial statements and disclose how these assumptions were derived. The assumptions should at least address how the premium levels have been derived, commission rates, investment income yields, expense levels, and benefits payable under policies and contracts.
9. Provide pro forma financial statements utilizing Form OIR-D0-896, UCAA Proforma Financial Statements, Property and Casualty Insurance Company; Form OIR-D0-2119, UCAA Proforma Financial Statements, Title Insurance Company; or Form OIR-D0-2165, UCAA Proforma Financial Statements, Health, as relevant, for three years, excluding any spreadsheet that requires nationwide only data. Projections must be provided for each line of insurance proposed to be written. If you should have any questions concerning individual line items, please refer to the National Association of Insurance Commissioner ("NAIC") instructions to the annual statement.
10. Furnish a list of all consultant and expert services proposed to be used during the three-year period.
11. Provide planned premium volume for nationwide premium and Florida premium by line of insurance for a three-year period from initial marketing date for each line of insurance.

Section III-2 Statement of Method Used in Financing Insurer

Provide a statement of method to be used in the financing of the proposed insurer. This statement shall include the following:

1. The amount of surplus as to policyholders to be funded.
 - (a) By source (contributed by whom)
 - (b) Amounts funded by each source
 - (c) The form in which the funding will be made, i.e., state specific dollar amounts of specific stocks, bonds, certificates of deposit, cash, etc.
2. Residence addresses, business background, and qualifications of all individuals named in 1 above.
3. Copies of all syndicate, association, firm, partnership, organization, or other similar agreements involved in the formation or financing of proposed insurer.
4. Copies of any securities or of any proposed document evidencing any right or interest proposed to be offered.

OIR-C1-908

Effective: 01/25

Rule 69O-136.100, F.A.C.

APPLICATION FOR PERMIT DOMESTIC RECIPROCAL INSURER

Section III-3 Previous Florida Business History of Attorney-in-Fact and Parent Company

In this section, the Attorney-in-Fact and any parent company (if applicable) should detail any history that it has had in withdrawing from Florida as a whole or in discontinuing a particular line of insurance in this state.

Section III-4 Holding Company Registration Statement

If the Attorney-in-Fact is part of an insurance holding company system, provide a copy of the most recent insurance Holding Company Registration Statement filed with the insurer's domiciliary state.

Section III-5 Forms

A copy of each policy, endorsement, and application form Applicant proposes to issue or use.

SECTION IV – MANAGEMENT

Section IV-1 Subscriber Information & Management Information Forms

1. Provide a list of the names and addresses of the original 25 or more subscribers.
2. Using OIR-C1-2221, Management Information Form, provide the full names of all proposed members of the Subscribers' Advisory Committee, as well as those of the officers, directors, managers, or equivalent positions, and shareholders/owners of the proposed Attorney-in-Fact up through and including the ultimate parent corporation or holding company, with their respective titles and ownership percentages. A separate form should be used for each entity.

If any 10% or greater shareholder/owner is an entity, please complete a Management Information Form (Form OIR-C1-2221) for each shareholder/owner entity and include its officers, directors, managing members, or equivalents. A separate form should be used for each entity.

Forms should contain the first, middle, and last names of listed individuals. Please state if a middle name does not exist.

Section IV-2 Biographical Information Package

Each person listed in Section IV-1, must submit a complete Biographical Information Package.

The Biographical Information Package consists of the following forms:

- OIR-C1-1423, "Uniform Certificate of Authority Application (UCAA) Biographical Affidavit"
- OIR-C1-938, "Confidential Fingerprints and Social Security Number"
- OIR-C1-0500, "UCAA Biographical Affidavit Addendum Blank"
- OIR-C1-0501, "UCAA Biographical Affidavit Addendum Education"

OIR-C1-908

Effective: 01/25

Rule 69O-136.100, F.A.C.

APPLICATION FOR PERMIT DOMESTIC RECIPROCAL INSURER

- OIR-C1-0502, "UCAA Biographical Affidavit Addendum Employment"
- OIR-C1-0503, "UCAA Biographical Affidavit Addendum General"
- OIR-C1-0504, "UCAA Biographical Affidavit Addendum Licenses"
- OIR-C1-0505, "UCAA Biographical Affidavit Addendum Professional"
- OIR-C1-0506, "UCAA Biographical Affidavit Addendum Residence"
- OIR-C1-0507, "UCAA Biographical Affidavit Addendum Societies"
- OIR-C1-0509, "Uniform Certificate of Authority Application (UCAA) Biographical Affidavit Cover Letter Holding Company Structure"

Each person must complete forms OIR-C1-1423 and OIR-C1-938, as well as all additional forms that are applicable to that individual.

Each form must be signed, and form OIR-C1-1423 must be notarized.

All questions must be answered. All "Yes" answers must be explained.

Individuals who have previously submitted a Biographical Information Package to the Office may inquire with the Office to determine if the previous submission is recent enough to meet this requirement.

Section IV-3 Background Investigation Report

A background investigation report must be provided for each person required to provide a Biographical Information Package. These reports must be ordered from and submitted by a background investigation vendor directly to the Office at bkgnd-inv@floir.com who has been approved for use by the National Association of Insurance Commissioners. Submission should be in Microsoft Word format, with appropriate reference to the applicant in the subject of each transmittal e-mail.

Reports should be submitted prior to, or contemporaneously with, the submission of each application filing. The application will not be considered complete until all required background investigation reports are received. Attach proof of payment confirming that all background reports have been ordered when submitting the application.

A list of approved vendors can be found at <https://content.naic.org/industry-ucaa-third-party>. The applicant is responsible for the reports and for handling billing arrangements with the selected vendor. Questions regarding this process may be directed to pcappcoord@floir.com (Property and Casualty applicants) or to lhappcoord@floir.com (Life and Health applicants).

Section IV-4 Fingerprinting and Social Security Number Submission

Each person submitting a Biographical Information Package under Section IV-2 must also submit their fingerprints to the Office. Please refer to our website at www.floir.com/home/company-admissions/fingerprint-instructions for specific instructions on the payment for and submission of fingerprints. Information about the uses and retention of fingerprints is included in form OIR-C1-938.

OIR-C1-908

Effective: 01/25

Rule 69O-136.100, F.A.C.

APPLICATION FOR PERMIT DOMESTIC RECIPROCAL INSURER

In addition, pursuant to Section 119.071(5), Florida Statutes, social security numbers collected by an agency are confidential and exempt from disclosure under Section 119.07(1), Florida Statutes, and Section 24(a), Art. I of the State Constitution, and must be segregated on a separate page, which is included as part of form OIR-C1-938, which must be submitted as part of the Biographical Information Package.

APPLICATION FOR PERMIT DOMESTIC RECIPROCAL INSURER

CHECKLIST

Applicant Name:

(in compliance with Section 629.052, Florida Statutes)

Principal Office Address for Applicant and Proposed Attorney in Fact:

(in accordance with Section 629.081(2)(b), Florida Statutes)

(Street Address)

(City)

(State)

(Zip Code)

Phone Number:

Please complete and check off all items prior to submission. Applicant should provide an explanation for any items that have not been checked off and submitted.

SECTION I - APPLICATION FORM & FEES

- ☐ 1. Application and license fees paid
- ☐ 2. All fingerprint fees paid electronically
 - ☐ a. Copies of online payment confirmation
- ☐ 3. Checklist & Certification

SECTION II – LEGAL

- ☐ 1. Draft Organizational Documents
 - ☐ a. Draft Appointment of Attorney-in-Fact and Power of Attorney
 - ☐ b. Draft Charter of the Subscriber's Advisory Committee
 - ☐ c. Draft Subscriber's Agreement
- ☐ 2. Foreign Certificate of Status, if applicable (Attorney-in-Fact)
- ☐ 3. Florida Certificate of Status (Attorney-in-Fact)
- ☐ 4. Articles of Incorporation (Attorney-in-Fact)
- ☐ 5. Bylaws (Attorney-in-Fact)
- ☐ 6. Authorization Letter

SECTION III – FINANCIAL

- ☐ 1. Plan of operation
 - ☐ a. History
 - ☐ b. Management experience
 - ☐ c. Uniform Certificate of Authority Application (UCAA) Lines of Insurance, Form OIR-C1-1416
 - ☐ d. Description of marketing
 - ☐ e. 3-year plan of marketing
 - ☐ f. Use of reinsurance

OIR-C1-908 g. Statement of planned changes

Effective: 01/25

Rule 69O-136.100, F.A.C.

APPLICATION FOR PERMIT DOMESTIC RECIPROCAL INSURER

- ☐ h. Pro Forma Financial Statement for 3 years (see Section III-I(9) for forms)
 - ☐ i. Assumptions
 - ☐ ii. Planned premium volume, nationwide and Florida
- ☐ i. List of consultants and expert services for 3 years
- ☐ 2. Statement of Method Used in Financing Insurer
 - ☐ a. Amount of surplus as to policyholders to be funded
 - ☐ i. By source (from whom)
 - ☐ ii. Amounts funded by each source
 - ☐ iii. Form of funding
 - ☐ b. Information on each individual named in (a)
 - ☐ c. Copy of all agreements involved in formation or funding
 - ☐ d. Copy of any securities or proposals regarding rights or interest to be offered
- ☐ 3. Previous Florida business history of Attorney-in-Fact and any parent
- ☐ 4. Holding Company Registration Statement for Attorney-in-Fact
- ☐ 5. A copy of each policy, endorsement, and application

SECTION IV – MANAGEMENT

- ☐ 1. List of names and addresses of original 25 or more subscribers
- ☐ 2. Management Information Form (Form OIR-C1-2221) submitted for all required entities
- ☐ 3. Biographical Information Package submitted for all required individuals
 - ☐ All information completed (no blanks)
 - ☐ a. "Yes" answers explained
 - ☐ b. Signed
 - ☐ c. Notarized
- ☐ 4. Background investigative reports for all required individuals. The reports must be based on the Biographical Information Packages submitted to the Office with this Application.
 - ☐ a. Proof of order and confirmation of payment submitted to the Office
- ☐ 5. A Fingerprints and Social Security Number form (Form OIR-C1-938) for each required individual
 - ☐ a. All information completed (no blanks)
 - ☐ b. Fingerprints submitted for each individual required to file a Biographical Information Package

APPLICATION FOR PERMIT DOMESTIC RECIPROCAL INSURER

APPLICATION CERTIFICATION

The undersigned state that they are the proposed Chairman of the Subscribers' Advisory Committee and have personal knowledge of the application submitted to the Florida Office of Insurance Regulation in connection with the intention of _____ ("Applicant") to seek a Permit to form a Domestic Reciprocal Insurer; that they have read all of the responses, information, exhibits, and documents submitted with, and in support of, this application; and that the submissions are true, correct, and complete to the best of their knowledge. The undersigned further represents that they have the authority to bind the Applicant, and that by their signature here below the Applicant has executed the instrument.

The undersigned understands that whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his or her official duties is guilty of a misdemeanor of the second degree, pursuant to Section 837.06, Florida Statutes, punishable as provided in Section 775.082 or Section 775.083, Florida Statutes.

By: _____

Print Name: _____

Title: Proposed Chairman, Subscribers' Advisory Committee

Date: _____