



Florida Office of Insurance Regulation

**APPLICATION FOR ACQUISITION OF CONTROLLING STOCK OF A
FLORIDA DOMESTIC 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 selecting Company Admissions – iApply Login at the following link:

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

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

INSTRUCTIONS

SECTION I - APPLICATION FEES

Section I-1 Application Fees

Applicant must pay the acquisition application fee of \$1,500 U.S. Dollars, pursuant to Section 624.501, Florida Statutes, or an amount otherwise in accordance with Section 624.5091, Florida Statutes. This fee is due at the time the application packet is filed and is not refundable.

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.

Disclaimer of Control Pursuant to Section 628.461(12)(a)

If Applicant is considered a “passive investor” and will be submitting a disclaimer of control or Schedule 13G as per Section 628.461(12)(a), Florida Statutes, it may omit the items in Section II 3-5, Section III, and Section IV. These omitted items must be provided if requested by the Office to determine the appropriateness of the disclaimer of control or Schedule 13G. If there are any purchase agreements, tender or exchange offers, or similar agreements related to the transaction, they must be provided with the application.

SECTION II – LEGAL

Section II-1 Description of Transaction

Submit a narrative statement describing the transaction resulting in the acquisition of 10% or more of the outstanding voting securities of a domestic stock insurer, or of the controlling company of a domestic stock insurer.

Section II-2 Notification Statement

Submit a statement that the acquiring entity has sent to the insurer and **any** controlling company:

- a. The notification statement in compliance with Section 628.461(1)(a), Florida Statutes, and;
- b. A complete copy of the application by registered mail pursuant to Sections 628.461(3) and Section 628.461(4)(b), Florida Statutes.

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Control is presumed to exist if a person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing 10% or more of the voting securities of another person.

Section II-3 Certificate of Status

Submit a certificate of status dated within the last year. A certificate of status is a document issued by the public official having supervision of the records of corporations in the Applicant's home state or jurisdiction of domicile, usually the Secretary of State or equivalent office, that shows the company is duly organized in the state or jurisdiction of domicile and that all taxes and fees have been paid.

Section II-4 Organizational Documents

Submit a copy of Applicant's organizational or charter documents, such as Articles of Incorporation, Partnership Agreements, Trust Agreements, etc., 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. If the originals are not required to be on file with a public official in the state or jurisdiction of domicile, then the copies should be certified by an appropriate representative of Applicant.

Section II-5 Bylaws

Submit a copy of Applicant's Bylaws, Operating Agreement, Constitution, Rules and Regulations, or similar 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 Applicant does not have this position.

Section II-6 Statutory Statements

Submit a detailed response to paragraphs (b)-(g) of Section 628.461(3), Florida Statutes, listed below. Each of these sections should be clearly labelled and responded to individually on a point-by-point basis.

(b) The source and amount of the funds or other consideration used, or to be used, in making the acquisition.

(c) Any plans or proposals that such persons may have made to liquidate such insurer, to sell any of its assets or merge or consolidate it with any person, or to make any other major change in its business or corporate structure or management; and any plans or proposals that such persons may have made to liquidate any controlling company of such insurer, to sell any of its assets or merge or consolidate it with any person, or to make any other major change in its business or corporate structure or management.

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(d) The number of shares or other securities that the person or affiliated person of such person proposes to acquire, the terms of the proposed acquisition, and the manner in which the securities are to be acquired.

(e) Information as to any contract, arrangement, or understanding with any party with respect to any of the securities of the insurer or controlling company, including, but not limited to, information relating to the transfer of any of the securities, option arrangements, puts or calls, or the giving or withholding of proxies, which information names the party with whom the contract, arrangement, or understanding has been entered into and gives the details thereof.

(f) Effective January 1, 2015, an agreement by the person required to file the statement that the person will provide the annual report specified in s. 628.801(2) if control exists.

(g) Effective January 1, 2015, an acknowledgment by the person required to file the statement that the person and all subsidiaries within the person's control in the insurance holding company system will provide, as necessary, information to the office upon request to evaluate enterprise risk to the insurer.

Section II-7 Service of Process Form

Included in this packet is the Service of Process Form (Form OIR-C1-144). This document must be executed and submitted after an acquisition is completed if the information on record with the Office has changed as a result of the transaction.

Section II-8 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.

Mergers

If the acquisition is, or includes, a merger, Applicant must provide the following in addition to all other items in this application. If Applicant is requesting a waiver pursuant to Section 628.461(2), Florida Statutes, it must still submit the items below as well as Section III-7(G).

Section II-9 Statement of Compliance

Submit a statement that Applicant is in compliance with Section 628.451(1), Florida Statutes. If the merger involves a not-for-profit HMO, the statement should instead reference Section 628.471, Florida Statutes.

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Section II-10 **Confirmation of Voting Results**

Submit confirmation of voting results, board resolution, or equivalent documents.

Section II-11 **Plan of Merger**

Submit a copy of the Plan of Merger.

SECTION III - FINANCIAL

Section III-1 **Holding Company Registration Statement**

If the Applicant is part of a foreign insurance holding company system, provide a copy of the most recent insurance Holding Company Registration Statement filed with its domiciliary state. Applicant should also provide a draft copy of the prospective post-acquisition Holding Company Registration Statement, as well as a copy of the U.S. Securities and Exchange Commission ("SEC") 10k report if Applicant's Ultimate Controlling Person is required to file with the SEC (most current year, if available).

Section III-2 **Applicant's Audited Annual Statements**

Furnish copies of the 5 most recent audited financial statements of the Applicant. If Applicant is a natural person, substantially similar information may be required.

Section III-3 **Applicant's Quarterly Statement**

Furnish a copy of Applicant's most recent quarterly statement.

Section III-4 **Applicant's Financial Statement**

Furnish a copy of Applicant's unaudited financial statement not older than 90 days of the date of receipt of the Application by the Office.

Section III-5 **Ultimate Controlling Person Audited Financial Statements**

Furnish copies of the 5 most recent audited financial statements of Applicant's Ultimate Controlling Person. If a natural person, substantially similar information may be required.

Section III-6 **Ultimate Controlling Person Financial Statement**

Furnish a copy of an unaudited financial statement of Applicant's Ultimate Controlling Person not older than 90 days of the date of receipt of the Application by the Office.

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Section III-7 **Plan of Operation**

An insurer licensed in the state of Florida must keep the Office apprised of its business plan. If the proposed acquisition will result in any substantive changes to the operations of the insurer, submit an updated plan of operation as outlined below. If the proposed acquisition will not result in any substantive changes, then a statement to that effect should be submitted in this section.

If the subject of the acquisition is not in compliance with Florida Statutes, then a plan to bring the insurer into compliance should be submitted to the Office in this section.

If applicable, Applicant should furnish a three-year Plan of Operations for the lines that the insurer is licensed for on the Certificate of Authority. The plan must include all major areas of the proposed operations and include the following:

- (A) A brief history of the company since its incorporation.
- (B) 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, and Investments.
- (C) A description of insurance products to be offered.
- (D) A three-year plan of marketing, including commission rates and the use of agents.
- (E) A summary of current and planned reinsurance coverage, including catastrophe, and the amount retained on one risk.
- (F) A statement regarding any planned changes in operations during the next three years. If no changes are planned, a statement to that effect.
- (G) In Excel format, a pro forma statutory balance sheet and statutory income and expense statements covering the accounts in the format on the attached forms. Separate forms are included in this packet for Property and Casualty and Life companies, please use the appropriate form.
- (H) A list of all assumptions used in projections and pro formas and an explanation of how these assumptions were derived.
- (I) A list of all consultant and expert services in use or proposed during the three-year period.

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Section III-8 Previous Florida Business History of Acquiring Company

In this section the acquiring company should detail its history in the state of Florida. Please note if the company has withdrawn from Florida as a whole or discontinued a particular line of business in this state.

Section III-9 Confirmation of Funds

Applicant must furnish third-party (bank, approved escrow agent, etc.) written confirmation of the funds necessary to complete the transaction prior to the Office's approval of the acquisition. Provide the confirmation letter in this section for confirmation of funds.

Section III-10 Purchase Agreements, Tender or Exchange Offers, or Similar Documents

Furnish a copy of all purchase agreements, tender or exchange offers, and offering documents, or similar documents associated with the transaction.

Section III-11 Other Agreements

Furnish copies of any agreements whereby the acquiring company accepts obligations, debts, and encumbrances which would affect the domestic insurer or are relevant to this transaction. Additionally, furnish copies of any other agreements referenced in this filing.

Section III-12 Organizational Charts

Furnish complete organizational charts for the Applicant and for the domestic insurer. Each set of organizational charts should fully disclose the complete corporate structure and the relationship between all entities, including all parent, holding, subsidiary, and any and all affiliated companies, and must clearly state all ownership percentages if applicable. One set of charts should be submitted for the Applicant and one for the domestic insurer showing each respective organization prior to the proposed acquisition, and another set of charts that shows the Applicant's entire structure after the proposed acquisition.

SECTION IV - MANAGEMENT

Section IV-1 Management Information Forms

Submit Management Information Form OIR-C1-2221 fully describing the post-acquisition management, ownership, and control, direct or indirect, of the domestic insurer up to and including any 10% or greater interest holders of the ultimate parent (5% if the transaction involves an HMO). A Management Information Form should be submitted for each entity in the ownership chain. Provide the same for the surviving company if the transaction is a merger.

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Forms should contain the First, Middle, and Last name 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, "Fingerprints and Social Security Number"
- OIR-C1-0500, "UCAA Biographical Affidavit Addendum Blank"
- OIR-C1-0501, "UCAA Biographical Affidavit Addendum Education"
- 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 bkgrnd-inv@flor.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.

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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@flor.com (Property and Casualty applicants) or to lhappcoord@flor.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.flor.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.

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.

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CHECKLIST

Applicant Name: _____

Federal Identification Number ("FEIN"): _____

Home Office Address: _____
(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 fee paid
- ☐ 2. All fingerprint fees paid electronically
- ☐ a. Copies of online payment confirmation

SECTION II – LEGAL

- ☐ 1. Description of Transaction
- ☐ 2. Statement of compliance with:
 - ☐ a. Notification statement, Section 628.461, Florida Statutes; and
 - ☐ b. Application furnishing, Section 628.461(3) & (4)(b), Florida Statutes
- ☐ 3. Certificate of Status
- ☐ 4. Organizational Documents (Articles of Incorporation or equivalent documents)
 - ☐ a. Certified by domiciliary jurisdiction
- ☐ 5. Bylaws (or equivalent documents)
 - ☐ a. Certified by Secretary
- ☐ 6. Statutory Statements, Section 628.461(3)(b)-(g), Florida Statutes
- ☐ 7. Service of Process Consent & Agreement (Form OIR-C1-144) (see instructions in II-7)
- ☐ 8. Authorization Letter

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Applicant Name: _____

For Transactions that are, or Involve, Mergers

- ☐ 9. Statement of Compliance
- ☐ 10. Confirmation of Voting Results
- ☐ 11. Plan of Merger

SECTION III – FINANCIAL

1. Holding Company Registration Statement, as applicable

- ☐ a. Holding Company Registration Statement – acquiring entity
- ☐ b. Holding Company Registration Statement – draft prospective for post-acquisition
- ☐ c. U.S. Securities and Exchange Commission (“SEC”) 10K report if ultimate parent is required to file with the SEC (most current year, if available)

2. Applicant’s audited annual statements

- ☐ a. The most recent 5 statements submitted

3. Applicant’s quarterly statement

- ☐ a. A copy of Applicant’s most recent quarterly statement.

4. Applicant’s financial statement

- ☐ a. Not older than 90 days of the date of receipt of the Application by the Office

5. Ultimate Controlling Person audited financial statements

- ☐ a. The most recent 5 statements submitted

6. Ultimate Controlling Person financial statement

- ☐ a. Not older than 90 days of the date of receipt of the Application by the Office

☐ 7. Plan of Operations **or** statement of no changes to the existing Plan of Operation

☐ 8. Applicant’s statement of previous Florida business history

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Applicant Name: _____

9. Confirmation of funds

- ☐ **a.** Written confirmation by third-party
- ☐ **10.** Copies of any purchase agreements, tender or exchange offers, or similar documents
- ☐ **11.** Copies of other agreements related to the acquisition

12. Organizational Charts

- ☐ **a.** Chart showing Applicant's organization prior to acquisition or merger
 - ☐ **i.** With ownership percentages
- ☐ **b.** Chart showing domestic insurer's organization prior to acquisition or merger
 - ☐ **i.** With ownership percentages
- ☐ **c.** Chart showing all entities after the acquisition or merger
 - ☐ **i.** With ownership percentages

CHECKLIST

Applicant Name: _____

SECTION IV – MANAGEMENT

- ☐ 1. Management Information Form (Form OIR-C1-2221) submitted for all required entities
- ☐ 2. Biographical Information Package submitted for all required individuals
 - ☐ a. All information completed (no blanks)
 - ☐ b. "Yes" answers explained
 - ☐ c. Signed
 - ☐ d. Notarized
- ☐ 3. 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
- ☐ 4. 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

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APPLICATION CERTIFICATION

The below certification must be executed by two officers of Applicant, one of whom must be the President or Chief Financial Officer, and the other the Secretary*.

The undersigned state that they are officers having personal knowledge of the application submitted to the Florida Office of Insurance Regulation in connection with the intention of _____ (“Applicant”) to acquire a Florida insurer, either directly, indirectly, or via merger; 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 represent that they have the authority to bind the Applicant, and that by their signatures on the instrument, the Applicant has executed the instrument.

The undersigned understand 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: _____

Date: _____

By: _____

Print Name: _____

Title: _____

Date: _____

*Other officers will be accepted only if the applicant does not have these positions.