

**REINSURANCE OF WORKERS' COMPENSATION SELF-INSURANCE
APPLICANT NOT LICENSED IN MAINE**

To become an Approved Reinsurer - Workers' Compensation Self-insurance pursuant to Rule Chapter 730, an applicant must:

- ◆ maintain a deposit in the State of Maine or in some other state of the United States where licensed, that inure to the benefit of Maine resident beneficiary parties to reinsurance contracts issued by the company (these deposited funds must be of a market value not less than that required by Title 24-A M.R.S.A. §412);
- ◆ be licensed in its domiciliary jurisdiction to transact workers' compensation insurance or workers' compensation reinsurance;
- ◆ be licensed in its state of domicile for a period of time immediately preceding the application in order to demonstrate to the Superintendent its ability to accept reinsurance for self-insured workers' compensation risks in the State of Maine;
- ◆ demonstrate that their insurance business and/or reinsurance business will operate at a profit supported by documentation including, but not limited to, historical earnings records for the last 3 years and projections of operating results for the coming 5 years;
- ◆ comply with all reserve requirements contained in Title 24-A M.R.S.A. Chapter 11, Subchapter II-A and all investment requirements contained in Title 24-A M.R.S.A. Chapter 13;
- ◆ possess free surplus in the amount of at least \$20,000,000.

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If an applicant meets the above mentioned requirements, they may submit a full application including the following information.

1. An application on the form prescribed by the Superintendent.
2. A copy of Charter and By-laws (if applicant is a corporation.)
3. A certified copy of the company's most recent Certificate of Compliance. (Should indicate that the company is authorized to insure or reinsure workers' compensation risks.)
4. Power of Attorney of its Attorney-in-fact (if applicant is a reciprocal insurer or reinsurer).
5. A certified copy of the most recent Certificate of Deposit.
6. Certified copies of the three most recent annual statements filed with the company's state of domicile.

7. Copies of the three most recent audited financial statements accompanied by the independent certified accounts audit opinion.
8. A current report of examination certified by official in company's state of domicile. Note, report is consider current only if its date is within three years of filing the application.
9. A list or reinsurers to whom the company retrocedes risks if not represented elsewhere in application material.
10. Any pertinent prospectus, tender offer materials, or details of any mergers, reorganizations or consolidations involving the company for the three year time period preceding the date of the application.
11. An organization chart of the holding company system if not represented elsewhere in application material.
12. A statement of ownership, including a list of the names and addresses of any shareholder(s) who own 5% or more of the outstanding shares of the company. If the company is a wholly owned subsidiary, this requirement shall apply to the parent company.
13. The most recent 10-K (and 10-Q's since the date of the 10-K) and proxy statement, if the company is registered with the Securities and Exchange Commission.
14. Copy of any management agreements by which effective power to manage or influence this class or any other major class of the company's business is transferred to others.
15. Biographical information for all officers and directors.
16. A statement signed by the chief Executive Officer of the company attesting that the company's license is not under suspension or revocation in any jurisdiction.
17. Such other information as the Superintendent may consider necessary and appropriate.