**Uniform Checklist for Reciprocal Jurisdiction Reinsurers**

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| **Reciprocal Jurisdiction Reinsurer Information:**  Company Name:  Address:  Primary Contact:  Domiciliary Jurisdiction / Supervisory Authority:  Applicable Lines of Business: |

1. **Filing Requirements if Maine will be “Lead State” for a Reciprocal Jurisdiction Reinsurer**

Check appropriate box:

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| Initial Filing | Annual Filing |

The “Lead State” will uniformly require assuming insurers to provide the following documentation so that other states may rely upon the Lead State’s determination:

| **Citation to State Law / Regulation** | **Requirements** | **Y or N** | **Reference and**  **Supporting**  **Documents** |
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| 24-A M.R.S.A. §731-B(1)(B-3)(2)  & (B-3)(1)(b)  Maine Rule Chapter 740 §10(B) & (C)(1) | **Status of Reciprocal Jurisdiction:**  The assuming insurer must be licensed to write reinsurance by, and have its head office or be domiciled in, a Reciprocal Jurisdiction that is listed on the *NAIC List of Reciprocal Jurisdictions*:   * + - A non-U.S. jurisdiction that is subject to an in-force Covered Agreement with the United States;     - A U.S. jurisdiction that meets the requirements for accreditation under the NAIC Financial Standards and Accreditation Program;     - A Qualified Jurisdiction that has been determined by the Superintendent to meet all applicable requirements to be a Reciprocal Jurisdiction. |  | The Reciprocal Jurisdiction Reinsurer should identify which type of jurisdiction it is domiciled in and provide any documentation to confirm this status if requested by the Superintendent. |
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| 24-A M.R.S.A. §731-B(1)(B-3)(3)  Maine Rule Chapter 740 §10(C)(2) | **Minimum Capital and Surplus:**  The assuming insurer must have and maintain on an ongoing basis minimum capital and surplus, or its equivalent, calculated on at least an annual basis as of the preceding December 31 or at the annual date otherwise statutorily reported to the Reciprocal Jurisdiction:   * No less than $250,000,000 (USD); or * If the assuming insurer is an association, including incorporated and individual unincorporated underwriters:   + - Minimum capital and surplus equivalents (net of liabilities) or own funds of the equivalent of at least $250,000,000 (USD); and * A central fund containing a balance of the equivalent of at least $250,000,000 (USD).   ***The assuming insurer’s supervisory authority must confirm to the Superintendent on an annual basis according to the methodology of its domiciliary jurisdiction that the assuming insurer complies with this requirement.*** |  |  |
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| 24-A M.R.S.A. §731-B(1)(B-3)(4)  Maine Rule Chapter 740 §10(C)(3) | **Minimum Solvency or Capital Ratio:**  The assuming insurer must have and maintain on an ongoing basis a minimum solvency or capital ratio.   * The ratio specified in the applicable in-force Covered Agreement where the assuming insurer has its head office or is domiciled; or * If the assuming insurer is domiciled in an accredited state, a risk-based capital (RBC) ratio of three hundred percent (300%) of the authorized control level, calculated in accordance with the formula developed by the NAIC; or * If the assuming insurer is domiciled in a Reciprocal Jurisdiction that is a Qualified Jurisdiction, such solvency or capital ratio as the Superintendent determines to be an effective measure of solvency. * ***The assuming insurer’s supervisory authority must confirm to the Superintendent on an annual basis that the assuming insurer complies with this requirement.*** |  |  |
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| 24-A M.R.S.A. §731-B(1)(B-3)(5)  Maine Rule Chapter 740 §10(C)(4) | **Form RJ-1:**  The assuming insurer must agree to and provide a signed Form RJ-1, which must be properly executed by an officer of the assuming insurer.  [The Form RJ-1 can be found on Maine’s Reinsurers web page at: <https://www.maine.gov/pfr/insurance/licensees/insurance-companies/reinsurers> ] |  | Form RJ-1 |
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| 24-A M.R.S.A. §731-B(1)(B-3)(6)  Maine Rule Chapter 740 §10(C)(5) | **Financial/Regulatory Filings:**   * For the two years preceding entry into the reinsurance agreement and on an annual basis thereafter, the assuming insurer’s annual audited financial statements, in accordance with the applicable law of the jurisdiction of its head office or domiciliary jurisdiction, as applicable, including the external audit report; * For the two years preceding entry into the reinsurance agreement, the solvency and financial condition report or actuarial opinion, if filed with the assuming insurer’s supervisor; * Before entry into the reinsurance agreement and not more than semi-annually thereafter, an updated list of all disputed and overdue reinsurance claims outstanding for 90 days or more, regarding reinsurance assumed from ceding insurers domiciled in the United States. **This is for purposes of evaluating Prompt Payment of Claims.** * Before entry into the reinsurance agreement and not more than semi-annually thereafter, information regarding the assuming insurer’s assumed reinsurance by ceding insurer, ceded reinsurance by the assuming insurer, and reinsurance recoverable on paid and unpaid losses by the assuming insurer. |  | The Reciprocal Jurisdiction Reinsurer shall provide this information if requested by the Superintendent consistent with the requirements of 24-A M.R.S.A. § 731-B & Maine Rule Chapter 740.  NAIC staff will perform a review of Schedules F and S filed by U.S. domiciled ceding insurers.  Applicants domiciled in the U.S. must provide the most recent NAIC Annual Statement Blank Schedule F (property/casualty) and/or Schedule S (life and health). Applicants domiciled outside the U.S. may provide this information using Form CR-F (property/casualty) and/or Form CR-S (life and health), which ReFAWG considers sufficient to meet this requirement. |
| 24-A M.R.S.A. §731-B(1)(B-3)(7)  Maine Rule Chapter 740 §10(C)(6) | **Prompt Payment of Claims:**  The assuming insurer must maintain a practice of prompt payment of claims under reinsurance agreements. The lack of prompt payment will be evidenced if any of the following criteria is met:     * More than fifteen percent (15%) of the reinsurance recoverables from the assuming insurer are overdue and in dispute as reported to the Superintendent; * More than fifteen percent (15%) of the assuming insurer’s ceding insurers or reinsurers have overdue reinsurance recoverable on paid losses of 90 days or more which are not in dispute and which exceed for each ceding insurer $100,000, or as otherwise specified in a Covered Agreement; or * The aggregate amount of reinsurance recoverable on paid losses which are not in dispute, but are overdue by 90 days or more, exceeds $50,000,000, or as otherwise specified in a Covered Agreement. |  | The calculation for Prompt Payment of Claims is based upon the total global claims of the Reciprocal Jurisdiction Reinsurer, and not based solely on U.S. claims. NAIC staff will perform a slow-pay analysis based upon filings of Schedule F by U.S. domiciled ceding insurers with respect to property reinsurance. The level of detail required to perform a slow pay analysis does not exist in Schedule S with respect to life reinsurance. The Lead State should attempt to obtain this information directly from the Reciprocal Jurisdiction Reinsurer and/or its supervisor. |
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1. **Filing Requirements if Maine will be a “Passporting State” for a Reciprocal Jurisdiction Reinsurer**

In order to facilitate multi-state recognition of assuming insurers and to encourage uniformity among the states, the NAIC has initiated a process called “passporting” under which the Superintendent has the discretion to defer to another state’s determination with respect to compliance with this section. Passporting is based upon individual state regulatory authority, and states are encouraged to act in a uniform manner in order to facilitate the passporting process. States are also encouraged to utilize the passporting process to reduce the amount of documentation filed with the states and reduce duplicate filings.

If an NAIC accredited jurisdiction has determined that a reinsurer has met the conditions set forth under the *Filing Requirements for Lead States*, the Superintendent has the discretion to defer to that jurisdiction’s determination, and add that reinsurer to the list of assuming insurers to which cessions shall be granted credit. The Superintendent may accept financial documentation filed with the Lead State or with the NAIC. The following documentation must be filed with the Maine Bureau of Insurance:

| **Citation to State Law / Regulation** | **Requirements** | **Y or N** | **Reference and**  **Supporting**  **Documents** |
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| 24-A M.R.S.A. §731-B(1)(B-3)(5)  Maine Rule Chapter 740 §10(E)(2) | **Form RJ-1:**  An assuming insurer must submit a properly executed Form RJ-1 and additional information as the Superintendent may require, except to the extent that the Superintendent’s request conflicts with a Covered Agreement.  [The Form RJ-1 can be found on Maine’s Reinsurers web page at: <https://www.maine.gov/pfr/insurance/licensees/insurance-companies/reinsurers> ] |  | Form RJ-1 |
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| 24-A M.R.S.A. §731-B(1)(B-3)(11)  Maine Rule Chapter 740 §10(E)(1) | **Lead State:**  If an NAIC accredited jurisdiction has determined that the required conditions have been met, the Superintendent has the discretion to defer to that jurisdiction’s determination. The Superintendent may accept financial documentation filed with another NAIC accredited jurisdiction or with the NAIC in satisfaction of this requirement. |  | The applicant must provide a copy of the approval letter or other documentation provided to the applicant by the NAIC accredited jurisdiction. The letter should include the state, effective date, and lines of business. The applicant also should have been reviewed and recommended for passporting by ReFAWG. |
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**III. Interaction Between Certified Reinsurer and Reciprocal Jurisdiction Reinsurer Status**

Under Section 6(B)(6) of Rule Chapter 740, credit for reinsurance ceded to a Certified Reinsurer shall apply only to reinsurance contracts entered into or renewed on or after the effective date of the certification of the assuming insurer. Under 24-A M.R.S.A. § 731-B(1)(B-3)(15), credit shall be taken with respect to Reciprocal Jurisdiction Reinsurers only for reinsurance agreements entered into, amended, or renewed on or after the effective date of Paragraph B-3 (March 17, 2021), and only with respect to losses incurred and reserves reported on or after the later of (i) the date on which the assuming insurer has met all eligibility requirements to be designated a Reciprocal Jurisdiction Reinsurer **(this is no earlier than the date the assuming insurer executes a Maine Form RJ-1 and submits it to the Bureau)**, and (ii) the effective date of the new reinsurance agreement, amendment, or renewal.

It is expected that certain assuming insurers will be recognized under both categories. The same reinsurer may be recognized as a Reciprocal Jurisdiction Reinsurer with respect to reinsurance agreements entered into, amended, or renewed on or after its Maine eligibility date, and as a Certified Reinsurer for business already in force on that date. In addition, the same reinsurer may also have certain blocks of business that were assumed before the reinsurer was certified and are fully collateralized under other provisions of the law. The ceding insurer’s financial reporting will reflect the status of these reinsurers with respect to each type of insurance assumed.