

## **MULTISTATE INTERNATIONAL INSURER APPLICATION FOR AUTHORIZATION**

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### **GENERAL INSTRUCTIONS**

Before filing the application, please call the Office of the Commissioner of Insurance, International Insurance Center, to set up a meeting with the Commissioner and the Director of the International Insurance Center to discuss the requirements for authorization and any other matters pertinent to the application process.

This application form should be completed in its entirety and, when submitted, should include all documents requested together with the application fees corresponding to the type of authority requested pursuant to Section 61.230 of the Puerto Rico Insurance Code. A response to each item is necessary in order for your application to be considered complete. If any question is inapplicable to the business operation presented, please clearly indicate this by marking "N/A" in the space provided. Submit all the documents required in the application in two (2) binders and place all original documents in one of those binders, appropriately indexed and tabbed. **Failure to comply with these requests and/or the furnishing of incomplete responses will result in delays in the processing of the application.**

If requesting authorization to create a Protected Cell International Insurer Company, please complete supplemental application FORM CIS-003 for each cell.

Pursuant to Section 61.050(4) of the Code, the Commissioner of Insurance may engage legal, financial and investigative services to evaluate the application for authorization, the cost of which shall be borne by the applicant. The applicant will be advised of the cost of such services prior to retention of the service provider. The service provider's duties are advisory only, and final approval or disapproval of an application will be made by the Commissioner of Insurance.

The Office of the Commissioner of Insurance of Puerto Rico will either grant the license confirmed by the issuance of a Certificate of Authority or deny the license, stating the reason(s) for the denial.

If the applicant is to be a Branch operation of an Insurer, please include a certification duly signed by the Chief Executive Officer of the Insurer, by which the Insurer accepts the jurisdiction of the courts of Puerto Rico in civil actions in compliance with the requirements of Sections 3.270 and 61.050(2)(h)(iv) of the Code. Please use FORM CIS-007 for this purpose.

Payment of the fees and charges corresponding to the application and authorization of an International Insurer must be in the form of a certified check, payable to the Secretary of the Treasury of Puerto Rico. **Completed forms should be submitted to the following mailing address: Office of the Commissioner of Insurance, PO Box 195415, San Juan, PR 00919-5415, or physically delivered to the following address: World Plaza Building – 9th Floor, 268 Muñoz Rivera Ave., San Juan, PR 00919.**

Multistate International Insurer licensed under Chapter 61 of the Insurance Code of Puerto Rico, may request reciprocal treatment for licensing or reinsurance credit purposes. However, pursuant to Section 61.035 of the Insurance Code of Puerto Rico, reciprocal treatment is not automatic for International Insurers that do not meet the definition of a Multistate International Insurer under Act 130-2025, as these entities operate under a distinct statutory framework. Multistate International Insurers that comply with the requirements of Act 130-2025—including full adherence to the twenty-two (22) NAIC Accreditation Standards—may request reciprocity, but each jurisdiction must evaluate such requests independently under its statutory and regulatory requirements.

**PLEASE TYPE ALL INFORMATION**

**SECTION A: GENERAL INFORMATION**

1. Name of the proposed Multistate International Insurer:

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2. Name(s) of Controlling Person(s) ("control" as defined in Section 44.010(c) of the Puerto Rico Insurance Code) of the Proposed International Insurer

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a. Net Worth of Controlling Person(s): \$ \_\_\_\_\_

b. Name(s) and Address of Controlling Person(s) (attach any additional information if necessary):

(1) Name: \_\_\_\_\_  
Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

(2) Name: \_\_\_\_\_  
Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

c. Name(s) and Controlling Person(s): Voting Percent Ownership:

i. \_\_\_\_\_  
ii. \_\_\_\_\_  
iii. \_\_\_\_\_  
iv. \_\_\_\_\_

d. Explain the relationship among the Controlling Persons, including a description of any contracts, arrangements or understandings with respect to any voting securities of the proposed Multistate International Insurer and any Controlling Person (attach any additional information if necessary):

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3. Provide Annual Report for the last five (5) fiscal years of Controlling Person(s) (if applicable).
4. Provide 10K or signed Personal Financial Statements for the last five (5) fiscal years of Controlling Person(s) duly certified and dated by their CPA.
5. Name, address, and phone number of individual to be contacted regarding this application:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

6. Indicate the type of authorization being requested (please check):

Class 3M  Class 4M  Class 5M

7. The proposed Multistate International Insurer will:

be a licensed insurer in at least one state in addition to Puerto Rico;

operates in at least one state and, in addition, holds a certificate of authority from Puerto Rico;

be an accredited or certified reinsurer in at least one state and, in addition, holds a certificate of authority from Puerto Rico;

reinsures business covering risks residing in at least one state and, in addition, holds a certificate of authority from Puerto Rico;

operates as a surplus lines insurer in at least one state and, in addition, holds a certificate of eligibility from Puerto Rico.

8. Indicate the State or States in which the Multistate International Insurer proposes to conduct business as indicated in item 7 above: \_\_\_\_\_

9. Multistate International Insurers shall participate in the guaranty fund associations of each state in which they are authorized to underwrite insurance business in accordance with the regulations of any such state. In the event that a liquidation proceeding is initiated by the state in which it was authorized, the Commissioner shall act as an auxiliary receiver in accordance with the provisions of Chapter 40 of the Puerto Rico Insurance Code.

Provide evidence and the contact information of the jurisdiction in which the proposed Multistate International Insurer will be participating in the Guaranty Fund of the State or the States mentioned in Item 8 above; indicating that the Multistate International Insurer has been authorized to become associated with or financially contribute to any plan, consortium, association or guaranty or insolvency fund (attach any additional information if necessary):

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

10. Organization form of proposed Multistate International Insurer (please check one):

a.  Stock      b.  Mutual      c.  Reciprocal

11. Will the Multistate International Insurer be conducting business as an International Insurer outside the United States or its Territories?

a.  Yes      b.  No

If the answer is yes, indicate the type of authorization being requested (please check):

Class 3       Class 4       Class 5

Therefore, the Business Plan and Feasibility Study shall include a detailed description of where the International Insurer will be doing business and all relevant information.

12. Principal office/place of business of proposed Multistate International Insurer:

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

13. Location of Books and Records of the proposed Multistate International Insurer:

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_

14. Name and address of proposed Multistate International Insurer's Principal Representative (must be a resident of Puerto Rico). **Biographical Affidavit must be provided for such person. Use FORM 11 of the National Association of Insurance Commissioner (NAIC) for this purpose. Attach evidence of acceptance and appointment of this person:**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

15. Name and address of proposed Multistate International Insurer's auditor/accountant (must be selected from the Commissioner's list of approved auditors/accountants for International Insurer business). **Attach evidence of acceptance and appointment of this person or entity:**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

16. Name and address of proposed Multistate International Insurer's actuary:

Name: \_\_\_\_\_  
Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

17. Names of Directors of the proposed International Insurer and its ultimate Controlling Person. **Biographical Affidavits must be provided for each Director. Use FORM 11 NAIC for this purpose and the Statement of Directors Form.**

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18. Names of the Executive Officers of the proposed Multistate International Insurer and its ultimate Controlling Person. Please use a separate sheet, if necessary, to list all such executive officers. **Biographical Affidavits must be furnished for all such officers. Use FORM 11 NAIC for this purpose.**

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19. Please provide any information of any business other than insurance business which the proposed Multistate International Insurer proposes to carry on:

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20. Proposed start-up date: \_\_\_\_\_

## SECTION B: ORGANIZATION INFORMATION

1. Provide a certified copy of the resolution of the Board of Directors or other governing body, authorizing the Multistate International Insurer to transact insurance business pursuant to Chapter 61 of the Puerto Rico Insurance Code and designating the officer or officers of the insurer who will have the authority to report, to the Commissioner, from time to time, regarding matters to which it will act on behalf of the insurer.
2. Provide a draft of the Articles of Incorporation of the Multistate International Insurer to be analyzed in accordance with Chapter 28 of the Insurance Code.
3. Provide a draft of the Bylaws to be analyzed in accordance with Chapter 29 of the Insurance Code.
4. Provide drafts of all Agreements between the Multistate International Insurer and those which will provide the Multistate International Insurer with management or other similar services for prior approval in compliance with Chapter 44 of the Insurance Code and Rule 83 of the Regulation of the Insurance Code.
5. Provide an organizational chart of the applicant, including its ultimate holding company, its parent company and its subsidiaries and affiliates. Indicate the name of the stockholders of said ultimate holding company and ownership interests of the International Insurer and all its affiliates.

## SECTION C: FINANCIAL INFORMATION

1. Capitalization (if Stock Company, provides a copy of the Stockholder Register).
  - a. Amount of Paid-In Capital: \$ \_\_\_\_\_
  - b. Type(s) of Stocks to be authorized: Number of Shares:  
(1) \_\_\_\_\_  
(2) \_\_\_\_\_
  - c. Par Value of Each Share by Type: Selling Price:  
(1) \$ \_\_\_\_\_ \$ \_\_\_\_\_  
(2) \$ \_\_\_\_\_ \$ \_\_\_\_\_
2. Funding (if Mutual or Reciprocal Company):  
Amount of Contributed Surplus to Policyholders: \$ \_\_\_\_\_
3. Capital and/or Surplus:  
Initial Capital: \$ \_\_\_\_\_  
Initial Surplus: \$ \_\_\_\_\_  
Total: \$ \_\_\_\_\_
4. Provide an initial financial statement showing assets, liabilities, sources and type of financial support, signed under oath by the Multistate International Insurer's president and secretary.
5. Provide a statement outlining accrued organizational expenses on the application date.

## **SECTION D: SUPPORTING INFORMATION AND ATTACHMENTS**

Please provide a Business Plan with the application including the following:

1. Feasibility Study prepared by a qualified, independent actuary.
2. Explanation of Reinsurance Program.
3. Supporting data including:
  - a. Type of risks to be insured (direct, assumed, and ceded) by line of coverage.
  - b. Expected gross annual premium of program broken down by line of coverage.
  - c. Expected net annual premium income broken down by line of coverage.
  - d. Five-year financial projections (Pro-Forma) on an expected and worst case scenario basis.
  - e. Proposed maximum retained risk (per loss and annual aggregate).
  - f. Who is responsible for loss prevention and safety activities? Enclose copy of the Risk Management Program, including Safety and Quality Control Manuals.
  - g. Copy of the Anti-Money Laundering Program, including all related manuals.
  - h. Investment Policy.
  - i. Plans for distribution of dividends and other funds (other than ordinary operating expenses) in accordance with Chapter 44 of the Insurance Code.

## **SECTION E: ADDITIONAL REQUIREMENTS APPLICABLE TO MULTISTATE INTERNATIONAL INSURERS**

Multistate International Insurers shall comply with the following provisions of the Insurance Code that, by its terms, are applicable to the operation of such Multistate International Insurers: (a) Sections 2.100 through 2.250; (b) Sections 3.300 through 3.330; (c) Section 4.140; (d) Sections 5.010 through 5.110; (e) Sections 6.020 through 6.160; (f) Sections 32.010 through 32.080; (g) Sections 44.010 through 44.140; (h) Sections 45.010 through 45.130; (i) Sections 46.010 through 46.140; (j) Sections 53.010 through 53.090. Additionally, the Multistate International Insurer shall comply with the regulations and rules issued by the Office of the Commissioner of Insurance. Therefore, before being authorized, the Multistate International Insurer must comply with the requirements of Rule 80 of the Regulations of the Insurance Code, including:

- Minimum capital and surplus (Sections 3.090 and 3.120 of the Insurance Code);
- Statutory deposit (Section 8.020 of the Insurance Code as required by Section 3.151 of the Insurance Code);
- Investments in Puerto Rico Securities, as required by Section 3.160 of the Insurance Code.

Moreover, according to Section 61.035 of the Insurance Code, the Multistate International Insurer shall comply with the rules of any state or territory of the United States applicable to the transaction of direct insurance or reinsurance including but not limited to any rules applicable to insurance or reinsurance written by a non-admitted insurer.

## **SECTION F: FEES**

<u>FEE</u>	<u>AMOUNT</u>
1. Basic Application Fee	\$350.00
2. Class 3 Authority	\$2,500.00
3. Class 4 Authority	\$25,000.00
4. Class 5 Authority	\$750.00

You must also pay an annual charge at the date of original authorization and at the date of each renewal on or before June 30<sup>th</sup> of each year, pursuant to the provisions of Section 15 of Rule 80 of the Regulations of the Insurance Code. The initial charge is calculated based on value of the premiums written and/or assumed as follows:

<u>PREMIUMS WRITTEN/ASSUMED</u>	<u>AMOUNT</u>
1. No more than \$25,000,000	\$5,000.00
2. More than \$25,000,000 but less than \$50,000,000	\$10,000.00
3. More than \$50,000,000 but less than \$75,000,000	\$20,000.00
4. More than \$75,000,000 but less than \$100,000,000	\$35,000.00
5. More than \$100,000,000 but less than \$150,000,000	\$50,000.00
6. More than \$150,000,000 but less than \$250,000,000	\$65,000.00
7. More than \$250,000,000	\$75,000.00

## SECTION G: CERTIFICATION

I certify that the information given in this application is true and correct and that all estimates given are true estimates based upon the facts that have been carefully considered and assessed. Furthermore, I affirm that pursuant to Section 61.050(9), the proposed International Insurer or Multistate International Insurer shall notify the Commissioner in an expedited manner and in writing of any change in the information submitted as part of this application within ten (10) days of said change.

If applicant is a Protected Cell International Insurer, I further acknowledge that all financial records of the Protected Cell Company, including records pertaining to protected cells, shall be available for inspection or examination by the Commissioner or the Commissioner's designee.

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_  
(DIRECTOR)

Affidavit No. \_\_\_\_\_

Personally appeared before me the above named \_\_\_\_\_ personally known to me, who, being duly sworn, deposes and says that he/she executed the above instrument and that the statements and answers contained therein are true and correct to the best of his/her knowledge and belief.

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC