

**COMMONWEALTH OF PUERTO RICO
OFFICE OF THE COMMISSIONER OF INSURANCE**

Proposed International Insurer's Name: _____

SUBMISSION CHECKLIST

In advance of the application:

_____ Did you schedule a meeting with the Commissioner or the Commissioner's designee to discuss your intention to apply for authorization as an International Insurer?

Completing the International Insurer Authorization Application

Section A - General Information

_____ Have you indicated the net worth of the International Insurer's Controlled Person(s) and included copies, as pertinent, of their Annual Report, 10K or Personal Financial Statements certified and dated by a CPA?

_____ Have you marked the class of authority to be licensed (Class 1, 2, 3, or 4, and/or 5)?

_____ If a Protected Cell, have you supplied a supplemental application for each cell? Remember, an International Insurer must submit to the Commissioner, at least sixty (60) days in advance, the Operational Plan it proposes to use with regard to the creation and administration of a Protected Cell.

_____ Is the International Insurer's Principal Representative a resident of Puerto Rico?

_____ Have you selected the International Insurer's accountant/auditor from the Commissioner's list of Approved Independent Certified Public Accountants for International Insurance business?

_____ Have you included signed and notarized Biographical Affidavits for each of the Directors and Executive Officers of the International Insurer and its ultimate Controlling Person?

_____ Have you indicated the proposed start-up date?

Section B - Organization Information

_____ Have you included a CERTIFIED copy of the resolution of the Board of Directors or other governing body, authorizing the 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?

_____ Have you included a CERTIFIED copy of the Articles of Incorporation of the International Insurer, duly authenticated by the office where the originals are on file?

_____ Have you provided a copy of the Bylaws of the International Insurer, if any, certified by the International Insurer's president or secretary?

_____ Have you included copies of all Agreements (draft with clear indication of expected terms and conditions if executed copies cannot be obtained until after licensing) between the International Insurer and:

- a. International Insurer Manager
- b. Principal Representative
- c. Policy Issuing/Fronting Company, if applicable
- d. Any other management service provider

If a Branch of an International Insurer:

_____ Have you included a copy of the insurer's financial statements for its most recent fiscal year?

_____ Have you included a copy of the most recent examination report, if any, made to the insurer, CERTIFIED by the insurance supervisory officer in the place of domicile of the insurer?

_____ Have you included a certification by the insurance supervisory officer in the place of domicile of the insurer, stating the classes of insurance that it is authorized to transact?

_____ Have you included 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 Articles 3.270 and 61.050(2)(h)(iv) of the Code?

Section C - Financial Information

_____ Have you indicated the amount of capital and surplus you propose for the formation of the International Insurer?

_____ Is this amount reflected in the Articles of Incorporation?

___ Are you aware that the Commissioner may increase your proposed amount of surplus or capital if deemed insufficient?

___ If applicable, have you provided a clean, irrevocable, unconditional and evergreen Letter of Credit?

___ Are all bank accounts with a Puerto Rico bank or with a bank that is a member of the Federal Reserve System of the United States of America?

___ Are you aware that you must maintain, at all times, in Puerto Rico the smaller between the following:

- a. the capital and surplus that is required to maintain pursuant to Article 61.080(1), or
- b. five million (\$5,000,000) dollars.

___ If a Branch of an insurer, have you included a CERTIFIED copy of the deed of trust by which you segregate the Branch's assets under a trust constituted pursuant to the laws of the Commonwealth of Puerto Rico for the benefit of all policyholders and creditors an amount, at least equal to one hundred fifty (150) percent, or for a Class 4 Authority International Insurer, one hundred ten (110) percent, of the capital and surplus required of an International Insurer pursuant to Article 61.180 of the Code?

___ Are you aware that if you are a Branch of an insurer, you must maintain, at all times, in Puerto Rico trustee assets in an amount that is equal to the smaller of the following:

- a. the capital and surplus that an International Insurer is required to maintain pursuant to Article 61.080(1) of the Code, and
- b. ten million (\$10,000,000) dollars.

___ Have you provided an initial financial statement showing assets, liabilities, sources and type of financial support, signed under oath by the International Insurer's president and secretary?

Section D - Supporting Information and Attachments

___ Have you provided a business plan that clearly and concisely provides an overview of the International Insurer, including its purpose, structure, ownership, financing, etc.? DO NOT rely on the attachments and exhibits to act as your vehicle to provide clarity to the Commissioner's review and approval of the submission.

- ___ Have you indicated by line of coverage whether you intend to write directly, cede or assume?
- ___ Have you indicated the expected Gross Annual Premium by line of coverage?
- ___ Have you indicated the expected Net Annual Premium by line of coverage?
- ___ Have you described the amount of proposed retained risk - per loss and annual aggregates?
- ___ Have you provided five year financial projections (Pro Forma) showing expected and worst case scenarios?
- ___ Have you provided an Actuarial Feasibility Study?
 - ___ Is it prepared on the actuary's letterhead?
 - ___ Does it describe what was reviewed and how it comports with the Business Plan (risks, coverages, retentions, and whether business will be written directly or reinsured)?
 - ___ Does it describe the methodology used including confidence levels, expected results, worst case scenario with premium and loss components?
 - ___ Does it show conclusions on proper capitalization and pricing?
- ___ Have you clearly explained any reinsurance programs? In the case of a Captive (Class 1 or 2 Authorization), executed agreements are due to the Commissioner as soon as possible after execution. Until then, a draft or a clear statement of expected terms, limits, reinsurer, etc. is required.
- ___ Have you included material describing the Risk Management program and/or Safety/Quality Control Manual?
- ___ Have you included material describing the Anti-Money Laundering program?
- ___ Have you described the Investment Policy?
- ___ Have you shown your plans for distribution of dividends or other funds not including ordinary operating expenses?

Section E - Fees

- ___ Have you verified the corresponding fees that must accompany your application for admission and remitted all of the required fees and annual charge in the form of a certified check, payable to the Secretary of the Treasury of Puerto Rico?

Section F - Certification

- Has the application information been certified as correct by a Director of the proposed International Insurer?

- Has the signature been notarized?

- If the applicant is not organized under the laws of a state of the United States of America, have all of the documents submitted as part of the application process been authenticated by a United States Consul or certified with the Apostille of the Hague Convention of October 5, 1961?

- Have you provided 3 copies of all materials in 3 separate binders and placed all original documents in one of those binders?**