



JAMES J. DONELON
COMMISSIONER OF INSURANCE
STATE OF LOUISIANA

P.O. Box 94214
Baton Rouge, Louisiana 70804-9214
Phone (225) 342-5900
Fax (225) 342-3078
<http://www.lidi.state.la.us>

**INSTRUCTIONS FOR
STATE SPECIFIC PORTION OF THE
UNIFORM CERTIFICATE OF AUTHORITY APPLICATION
IN THE STATE OF LOUISIANA**

GENERAL INSTRUCTIONS

This packet is designed to assist the individual preparing the state specific portions of the Uniform Certificate of Authority Application (UCAA) in complying with our requirements and procedures. The forms and procedures of the application process are designed to facilitate our review of the application. Therefore, it is extremely important that all applicants comply fully with the instructions and requirements set forth in this packet.

All communication should be directed to:

Louisiana Department of Insurance
Company Licensing Division
P.O. Box 94214
Baton Rouge, LA 70804-9214
Phone: (225) 219-4318
Fax: (225) 342-3078
E-Mail Address: csarvis@ldi.state.la.us

While our Department will be happy to assist you and answer any questions you may have, we ask that you thoroughly review all instructions and forms before contacting us.

- 1) The Department of Insurance accepts electronic submission of the application using the National Association of Insurance Commissioners Uniform Certificate of Authority electronic submission process and encourages companies to use this method of submission. If an application is submitted using the electronic process, only the fingerprint cards and the payment are required to be submitted hard copy.
- 2) If the application is submitted hard copy rather than using the National Association of Insurance Commissioners Uniform Certificate of Authority electronic submission process, all submittals in association with this application must reach us via the United States Postal Service or a carrier with interstate business. Hand delivery is not acceptable and any information arriving in this manner will be returned without review. In addition, all correspondence must be sent to the attention of the Company Licensing Division to assure prompt receipt and handling.
- 3) Submit only a fully completed application. Submittal of a partially completed application will cause processing delays and may result in disapproval.
- 4) **Do not alter** the forms contained in this packet. If you feel the requirements do not apply to your company, notify us. We will supply the proper form, if appropriate, and/or answer any questions you have about the forms.
- 5) All original items submitted become the property of the Louisiana Department of Insurance and **will not be returned**.

- 6) All certified documents required in the application must be dated within ninety (90) days of submittal of the application. If an application is submitted hard copy rather than electronically all certifications must be original.
- 7) All entries in the application forms must be typed or printed. Illegible entries or responses will be considered incomplete and may result in the disapproval of the application.
- 8) When designating a contact person for the application process, please remember that our staff will communicate only with that individual. The application process is considered confidential and will not be discussed with any person other than the named contact person. We must be notified in writing of any change in the contact person.
- 9) We must be notified of any changes in the company or the information submitted in association with this application which occur while the application is under review. This includes changes in officers and directors; changes in address or domicile; and financial statements and examination reports which become available after submission. Failure to notify us of such changes may result in disapproval of the application.
- 10) It is the responsibility of the applicant to insure that none of the responses and submittals in association with this application conflict with the information filed with the domiciliary state. Conflicting information will result in the disapproval of the application.

SPECIAL INSTRUCTIONS REGARDING INVESTIGATIVE REPORTS

In association with this application, the Louisiana Department of Insurance requires that all applicants make arrangement for investigative reports for all persons for whom biographical affidavits are supplied. This will include all officers, all directors, all individuals who own ten percent or more of the applicant and all other persons responsible for the conduct of affairs of the applicant.

The investigative reports must be prepared by one of the investigators included on the list made available by the National Association of Insurance Commissioner for the Uniform Certificate of Authority Application. You may view a copy of this list at http://naic.org/documents/industry_ucaa_third_party.pdf. The applicant should advise the investigator that the reports are being prepared for the Louisiana Department of Insurance and make the necessary arrangements for payment.

In order to complete the necessary reports, the investigative firms must be provided with copies of all biographical affidavits. **DO NOT SEND ORIGINAL AFFIDAVITS TO THE INVESTIGATIVE FIRMS.**

WAIVER OF INVESTIGATIVE REPORTS AND FINGERPRINT CARDS

In certain cases the investigative report may be waived for specific individuals. The requirements for this waiver are as follows;

- 1) An investigative report has been supplied to this Department for the individual within one year previous to the date of submittal of the complete application packet. OR
- 2) The individual in question has been the officer or director of an insurer licensed to do business in Louisiana for a period of not less than 10 years. This exception will not apply when the company has undergone a change of control at any time in that 10 year period.

ELECTRONIC SUBMISSION OF APPLICATION

If the application is submitted electronically using the National Association of Insurance Commissioner Uniform Certificate of Authority electronic submission process, the only “hard copy” filing requirements for the application would be for the required finger print cards and payment of the application fee. There is no need to submit any other portion of the application hard copy if a complete application is filed electronically. However, on all imaged documents that require notarization or certification , the notarization or certification seal must be clearly visible on the image.

COMMON QUESTIONS

The following are some of the most commonly asked questions regarding the application package and process.

Q: What are the minimum capital and surplus requirements for insurers doing business in Louisiana?

A: Statutory minimum financial requirements for all lines of insurance are given below. It should be pointed out that these are only the minimum requirements, and the Commissioner has the authority to require additional amounts depending on the types of business which the company proposes to transact.

ADMITTED COMPANIES

Stock Companies

Insurance Type	Paid-In Capital	Minimum Surplus	Operating Surplus
Life	\$100,000	\$1,900,000	\$1,000,000
Health and accident	\$100,000	\$1,900,000	\$1,000,000
Life, health and accident	\$100,000	\$1,900,000	\$1,000,000
Vehicle	\$650,000	\$1,350,000	\$1,000,000
Liability	\$650,000	\$1,350,000	\$1,000,000
Workers' Compensation	\$650,000	\$1,350,000	\$1,000,000
Burglary and forgery	\$650,000	\$1,350,000	\$1,000,000
Fidelity	\$650,000	\$1,350,000	\$1,000,000
Title	\$100,000	\$400,000	\$500,000
Fire and allied lines	\$650,000	\$1,350,000	\$1,000,000
Steam boiler and sprinkler leakage	\$650,000	\$1,350,000	\$1,000,000
Crop	\$650,000	\$1,350,000	\$1,000,000
Marine and transportation	\$650,000	\$1,350,000	\$1,000,000
Miscellaneous	\$650,000	\$1,350,000	\$1,000,000
Homeowners' insurance	\$650,000	\$1,350,000	\$1,000,000
Credit life, health and accident insurance	\$100,000	\$1,900,000	\$1,000,000
Annuity	\$100,000	\$1,900,000	\$1,000,000
Surety	\$650,000	\$1,350,000	\$1,000,000
Industrial fire	\$200,000	\$800,000	\$1,000,000
All insurance, except title and life	\$650,000	\$1,350,000	\$1,000,000

Mutual Companies

Insurance Type	Minimum Surplus	Operating Surplus
Life	\$2,000,000	\$1,000,000
Health and accident	\$2,000,000	\$1,000,000
Life, health and accident	\$2,000,000	\$1,000,000
Vehicle	\$2,000,000	\$1,000,000
Liability	\$2,000,000	\$1,000,000
Workers' Compensation	\$2,000,000	\$1,000,000
Burglary and forgery	\$2,000,000	\$1,000,000
Fidelity	\$2,000,000	\$1,000,000
Title	\$500,000	\$500,000
Fire and allied lines	\$2,000,000	\$1,000,000
Steam boiler and sprinkler leakage	\$2,000,000	\$1,000,000
Crop	\$2,000,000	\$1,000,000
Marine and transportation	\$2,000,000	\$1,000,000
Miscellaneous	\$2,000,000	\$1,000,000
Homeowners' insurance	\$2,000,000	\$1,000,000
Credit life, health and accident insurance	\$2,000,000	\$1,000,000
Annuity	\$2,000,000	\$1,000,000
Surety	\$2,000,000	\$1,000,000
Industrial fire	\$1,000,000	\$1,000,000
All insurance, except title and life	\$2,000,000	\$1,000,000

COMMON QUESTIONS CONTINUED

Q: Where can I find the laws and regulations governing insurance in Louisiana?

A: Title 22 of the Louisiana Revised Statutes is the Louisiana Insurance Code, and most laws enacted by the Louisiana Legislature which affect insurers and insurance can be found in that Title. The Louisiana Legislative web site (www.legis.state.la.us) includes copies of all Louisiana statutes. Copies of the Louisiana Insurance Code may also be obtained from private printing companies which specialize in statutory printing. In addition to the statutes, the Commissioner of Insurance has issued many regulations, rules and directives. Copies of these items may also be obtained from publishers specializing in printing legal and regulatory documents.

Q: What is the time frame for the review of an application?

A: This Department makes every effort to review all applications as soon after submittal as possible. The review process can be expected to take from ninety (90) to one hundred twenty (120) days from receipt of a complete application. Please take this time frame into account when considering deadlines and operation schedules for the applicant.

Q: Can the statutory deposits be made after an approval is given on the application?

A: No. All deposits must be in place at the time that the application is submitted. Failure to make these deposits prior to application review will result in the disapproval of the application.

Q: If the applicant is currently an approved surplus lines insurer and is now applying for a Certificate of Authority, can the statutory deposit which the Louisiana Department of Insurance holds in association with the surplus lines approval be used in conjunction with the Certificate of Authority application?

A: No. A separate deposit must be made in association with the application for Certificate of Authority. The two matters are independent of one another, and a single deposit may not be used to satisfy both requirements.

Q: Is there a particular financial institution which the Department prefers for the statutory deposit?

A: No. Statutes require only that the deposit be placed in a savings and loan or banking institution doing business in Louisiana. Any institution which meets this requirement is acceptable to this Department.

Q: Section 3 of the application form requires certain biographical information on owners of 10% or more of the applicant. What if all owners are corporations? Do the officers and directors of those corporations supply the biographical information?

A: Initially, no. However, this Department reserves the right to request biographical information for all persons who would exercise control over the insurer up to and including the ultimate controlling party. The Department will determine if additional information is required upon review of the application and notify the applicant.

Q: Can we meet with the Department for a preliminary review of our application prior to submission?

A: Yes. Our staff will be happy to meet with representatives of the applicant to review the application before it is actually submitted. It should be noted, however, that this courtesy review is to help assure completeness only, and our Division will not issue a preliminary approval or disapproval of the application before submission. Any application sent to this Office via U.S. Mail will be considered submitted for review and will not be eligible for a pre-review. You may make an appointment for preliminary review by contacting the Company Licensing Division of the Louisiana Department of Insurance. Preliminary reviews will be performed only with an appointment.

COMMON QUESTIONS CONTINUED

Q: What factors should go into considering who should be named as the contact person?

A: Among the things that should be considered when naming the contact person for the application process are:

Knowledge - The person acting as the contact should have a thorough knowledge of the application packet and company functions

Accessibility - You should consider whether or not the contact person is easily reachable. A person who is often absent from the office or who is otherwise difficult to reach is a poor choice due to the nature of the application process.

Location - All requests for additional information include a deadline to supply this information. Therefore, you should consider the location of the contact person and whether or not they can reasonably be expected to obtain needed documents or information within a time frame which is usually set at 30 days.

STATE SPECIFIC ITEMS TO BE SUBMITTED

- 1. FINGERPRINT CARDS** for all officers and all directors of the company and all individuals owning 10 percent or more of the company. The FBI/NCIC standard cards should be used and may be obtained from most local law enforcement offices. See the application instructions for information regarding the waiver of this requirement.
- 2. INVESTIGATIVE REPORTS** for all persons for whom biographical affidavits were supplied. See the application instructions for more information regarding the procedure for obtaining these reports and for an explanation of the requirements for the waiver of this requirement.
- 3. STATUTORY DEPOSIT** as indicated below.

REQUIREMENTS FOR AN ADMITTED FOREIGN OR ALIEN COMPANY - A safekeeping or trust receipt from a bank doing business within the state or from a savings and loan association chartered to do business in this state verifying that the applicant has deposited one hundred thousand dollars (\$100,000.00) in money or acceptable bonds (Acceptable bonds are defined as bonds issued by the United States Government or the State of Louisiana or any political subdivision of the State of Louisiana.) with that institution and pledged said deposit to the Commissioner of Insurance. The banks have the necessary pledge forms. Do not contact this Office to request one.

OR

A CERTIFICATE OF DEPOSIT FROM THE DOMICILIARY STATE confirming that the applicant has deposited a minimum of five hundred thousand dollars (\$500,000.00) with the domiciliary state for the protection of all policy holders.

- 4. FEES** in the amount of \$2,225.00 - The Louisiana Department of Insurance may convert your payments by check to an electronic Automated Clearinghouse (ACH) debit transaction. This means that your account may be debited the day your check is received by the Louisiana Department of Insurance. Although the debit transaction will appear on your bank statement, your check will not be returned to your bank. If the electronic fund transfer cannot be processed for technical reasons, you authorize us to process the copy of your check.