

# Insure Louisiana Incentive Program Grant Application

## Section 1: General Information

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

FEIN: \_\_\_\_\_ NAIC #: \_\_\_\_\_

Home Office Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

State of Domicile: \_\_\_\_\_

If state of domicile is not Louisiana, provide a current Certificate of Compliance from your state of domicile.

NOTE: The Applicant insurer must have an existing Certificate of Authority in Louisiana for the line or lines of insurance which the Applicant will write pursuant to the Incentive Program. If the Applicant insurer is a non-admitted insurer, provide evidence that the Applicant is contemporaneously applying for licensure with the Company Licensing Division of the Louisiana Department of Insurance.

The following information is required of the individual who is authorized to represent the Applicant before the Department on all matters pertaining to the grant process and the Incentive Program:

Contact Person: \_\_\_\_\_

Title: \_\_\_\_\_

Phone: \_\_\_\_\_ E-Mail Address: \_\_\_\_\_

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

Amount of Grant Funds Requested under Incentive Program: \$ \_\_\_\_\_

## Section 2: General Interrogatories

The applicant must attach a written explanation if the answer is "yes" to any of these interrogatories:

a) Has the Applicant ever had an application denied by any regulatory authority?

Yes  No

b) Has the Applicant ever been placed under any type of regulatory supervision?

Yes  No

c) Has the Applicant ever been subject to any regulatory action including cease and desist orders or similar actions?

Yes  No

d) Within the last 3 years, has the Applicant transferred or encumbered a substantial portion (more than 20%) of its assets?

Yes  No

e) Within the last 3 years, has the Applicant merged or consolidated with any other entity?

Yes  No

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

NAIC Company Code: \_\_\_\_\_

FEIN: \_\_\_\_\_

f) Within the last 3 years, has the Applicant undergone a change in ownership of 10% or more?

Yes  No

g) Is the Applicant presently negotiating or inviting negotiations, or party to an offer which would result in a merger, consolidation, or change of ownership?

Yes  No

h) Has the Applicant undergone a change in management or control since the date of the latest financial statement filed in support of this application?

Yes  No

### Section 3: Minimum Solvency Requirements

The following information must be provided from the Applicant's most current financial statement:

Date of most current financial statement: \_\_\_\_\_

Capital: \$ \_\_\_\_\_

Surplus: \$ \_\_\_\_\_

Risk-based capital ratio: \_\_\_\_\_

NOTE: The sum of capital and surplus must not be less than \$25 million at the time the grant is awarded and must be maintained to comply with grant requirements.

Provide all most recent ratings of Applicant by nationally recognized rating services in the following spaces:

Rating 1: \_\_\_\_\_ Rating Service 1: \_\_\_\_\_

Rating 2: \_\_\_\_\_ Rating Service 2: \_\_\_\_\_

Rating 3: \_\_\_\_\_ Rating Service 3: \_\_\_\_\_

NOTE: A.M. Best rating or equivalent rating by a nationally recognized rating service must be B++ or better. Provide an attachment describing any affiliated risk pooling arrangements in which the Applicant participates or the Applicant's rating is dependent upon.

### Section 4: Satisfactory Prior Experience

Provide a detailed Statement of Prior Experience which includes at least the following:

- Applicant insurer's years of experience in writing property insurance, average property premiums written per year over last five years (or over total number of years in which premiums were written if less than five), a list of states in which applicant insurer has written property insurance, description of types of insurance written;
- Applicant insurer key management's names, titles, contact information, years of experience in writing property insurance, a list of states in which the managers have written property insurance within the last five years, descriptions of types of insurance written;
- Descriptions of any failed operations or legal actions taken against the Applicant insurer and/or Applicant's key management and any instances where Applicant insurer and/or Applicant's key management were placed in receivership or administrative supervision; and
- All lines of insurance the Applicant is licensed to transact, currently transacting, and requesting authority to transact in all jurisdictions.

NOTE: Grants shall be made only to property insurers with satisfactory prior experience in writing property insurance or to new property insurers whose management has satisfactory experience in property insurance. The Commissioner may request additional information from the Applicant and conduct such investigation of prior experience as the Commissioner deems appropriate.

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

NAIC Company Code: \_\_\_\_\_

FEIN: \_\_\_\_\_

### Section 5: Matching Capital Requirements

Applicant commitment of newly allocated insurer capital: \$ \_\_\_\_\_

Describe the form and sources of Applicant insurer's capital assets to be pledged to the Department under the Incentive Program:

\_\_\_\_\_  
\_\_\_\_\_

NOTE: Grants from the Incentive Program must be matched by such newly allocated insurer capital at a ratio of at least one dollar of allocated capital funds for each dollar of Incentive Program grant funds. If approved, pledged capital assets' safekeeping receipts will be required of successful Applicants.

### Section 6: Plan of Operations

Provide a statement or plan of operation covering at least the Applicant's five years succeeding receipt of Grant Funds which includes information responsive to the following:

- Applicant's potential for providing property insurance as required by the Incentive Program at reasonable and competitive costs, particularly for property owners in the Louisiana parishes included in the federal Gulf Opportunity Zone Act of 2005;
- Applicant's Reinsurance Program, including details of Program Applicant anticipates entering into or expanding for the lines of business to be written pursuant to the Incentive Program. Include copies of significant applicable contracts or cover notes related to such Program.
- Applicant's marketing and claims handling capability and experience, particularly explaining the Applicant's ability to market property insurance in areas affected by Hurricane Katrina and Hurricane Rita and to handle future claims that may arise;
- Financial projections for Louisiana and nationwide operations. Projections should include sufficient detail to demonstrate the Applicant's compliance with the financial guidelines of the Incentive Program. Provide significant descriptions of assumptions supporting the financial projections;
- The Applicant's timeline for filing policy rates and policy forms under the Incentive Program;
- Provide a description of plans for marketing, a distribution network, and underwriting capacity regarding the business produced in Louisiana. If the underwriter is other than the Applicant, describe the relationship to the Applicant;
- Briefly, what are the underwriting controls for accepting or rejecting a potential policyholder;
- What procedures the applicant has in place for reviewing, accepting, or denying claims, and what, if any, procedures are in place to allow the applicant to make prompt claim payments;
- Applicant's intended longevity in the Incentive Program, demonstrating the Applicant's intent to continue doing business in Louisiana following the completion of the Incentive Program; and
- The projected premiums to be written under the Incentive Program, including the following:
  - Projections of new property insurance coverages to be written for the following lines:
    - Fire
    - Allied Lines
    - Farm Owners
    - Homeowners
    - Commercial Multi-peril Non-Liability
  - Amount of total net written premiums to be maintained by Applicant insurer for policyholders whose property was formerly insured by the Louisiana Citizens Property Insurance Corporation;
  - Amount of total net written premiums to be maintained by Applicant insurer for policyholders whose insured property is located in the parishes included in the federal Gulf Opportunity Zone Act of 2005; and
  - Amount of total net written premiums to be maintained by Applicant insurer for policyholders whose property was formerly insured by the Louisiana Citizens Property Insurance Corporation and is located in the parishes included in the federal Gulf Opportunity Zone Act of 2005.

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

NAIC Company Code: \_\_\_\_\_

FEIN: \_\_\_\_\_

NOTE: Applicant must demonstrate that existing or intended reinsurance program is sufficient for the amount and types of business to be written during the projection period in aggregate and new business to be written pursuant to the Incentive Program. The new property insurance written under the Incentive Program in Louisiana shall be residential, commercial, mono-line, or package insurance policies, including coverages for wind and hail with limits equal to the limits provided for other perils insured under such policies.

### Section 7: Other Requirements

Provide copies of the most currently available information below for the Applicant (affirmatively identify any information that is not applicable to Applicant company):

- Holding Company Form “B” Registration Statement
- SEC Filings or Consolidated GAAP Financial Statement including Applicant
- Debt-to-Equity Ratio Statement
- Risk Based Capital Report
- Reports of Examination (including Financial and Market Conduct) performed within the last five years
- Public Records Package:
  - Statement with Attachments, including:
    - Current Year Annual Statement, verified and signed, certified by domiciliary state insurance regulatory agency;
    - Certification of Actuarial Opinion;
    - NAIC Management's Discussion and Analysis; and
    - Current Year Quarterly Statements – one copy for each quarter verified and signed. Note: Updated Statements should be submitted on a timely basis while application is pending. If Annual Statement for two preceding years has not been filed with NAIC, one copy of each year must be submitted with the application.
  - Independent CPA – Most Recent Year Audit Report

Please provide a listing of all other applications with the Insure Louisiana Incentive Plan filed by the Applicant, or any of its affiliates, that are pending before the Department.

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

NAIC Company Code: \_\_\_\_\_

FEIN: \_\_\_\_\_

**Applicant Officers' Certification and Attestation**

This form must be notarized. Both of the officers (listed below) of the Applicant must read the following very carefully:

1. I hereby certify, under penalty of perjury, that I have read the application, that I am familiar with its contents, and that all of the information, including the attachments, submitted in this application are true and complete. I am aware that submitting false information or omitting pertinent or material information in connection with this application is grounds for license discipline or other administrative action and may subject me or the Applicant, or both, to civil or criminal penalties.
2. I acknowledge that I am familiar with the insurance laws and regulations of the jurisdictions in which the Applicant is licensed or to which the Applicant is applying for licensure.
3. I acknowledge that, if awarded a grant, the Applicant can be declared in default of the grant requirements if the Applicant fails to comply with the provisions of R.S. 22:3301 et seq. or Regulation 82 and be required to repay any grant funds not earned by the Applicant.
4. I acknowledge, if awarded a grant, that the Commissioner may audit the Applicant's records at any time during the grant period to determine compliance with Program requirements.
5. I acknowledge that I am an Officer of the Applicant, am authorized to execute, and am executing this document on behalf of the Applicant.
6. I hereby certify under penalty of perjury under the laws of the applicable jurisdictions that all of the forgoing is true and correct.

\_\_\_\_\_  
Applicant Company Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Principal Officer #1

\_\_\_\_\_  
Full Legal Name of Principal Officer #1

\_\_\_\_\_  
Principal Officer #1 Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Principal Officer #2

\_\_\_\_\_  
Full Legal Name of Principal Officer #2

\_\_\_\_\_  
Principal Officer #2 Title

Notarization: Signed and sworn to (affirmed) before me;

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Notary

\_\_\_\_\_  
Full Legal Name of Notary

\_\_\_\_\_  
City, State of Notary

\_\_\_\_\_  
Notary Commission Expires