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**IDAPA 18  
TITLE 01  
CHAPTER 23**

**18.01.23 - RULES PERTAINING TO THE IDAHO INSURANCE HOLDING  
COMPANY SYSTEM REGULATORY ACT**

**001. TITLE AND SCOPE.**

**01. Title.** These rules shall be referred to as IDAPA 18.01.23, "Rules Pertaining to the Idaho Insurance Holding Company System Regulatory Act". (7-1-99)

**02. Scope.** The purposes of these rules are: To set forth rules and procedural requirements which the Director deems necessary to carry out the provisions of the Idaho Insurance Holding Company System Regulatory Act, compiled as Sections 41-3801 through 41-3821, Idaho Code, hereinafter referred to as "the Act". The information called for by these rules is hereby declared to be necessary and appropriate in the public interest and for the protection of policyholders and shareholders of this state. (7-1-99)

**002. WRITTEN INTERPRETATIONS.**

In accordance with Section 67-5201(19)(b)(iv), Idaho Code, this agency may have written statements which pertain to the interpretation of the rules of this chapter, or to the documentation of compliance with the rules of this chapter. These documents will be available for public inspection and copying at cost in the main office of this agency. (7-1-99)

**003. ADMINISTRATIVE APPEALS.**

All contested cases shall be governed by the provisions of IDAPA 04.11.01, "Idaho Rules of Administrative Procedure of the Attorney General". (7-1-99)

**004. -- 010. (RESERVED).**

**011. FORMS - GENERAL REQUIREMENTS.**

**01. Forms Intended To Be Guides.** Forms A, B, C, D, and E are intended to be guides in the preparation of statements required by Sections 41-3802, 41-3806 and 41-3807 of the Act. They are not intended to be blank forms which are to be filled in. The statements filed shall contain the numbers and captions of all items, but the text of the items may be omitted provided the answers thereto are so prepared as to indicate to the reader the coverage of the items without the necessity of his referring to the text of the items or the instructions thereto. All instructions, whether occurring under the items of the form or elsewhere therein, are to be omitted. Unless expressly otherwise, if any item is inapplicable or the answer thereto is in the negative, an appropriate statement to that effect shall be made. (7-1-99)

**02. Filings Of Statement.** Each statement, including exhibits and all other papers and documents filed as a part thereof, shall be filed with the Director by personal delivery or mail addressed to:

Director of Insurance  
700 West State Street, 3rd Floor  
Boise, Idaho 83720

A copy of Form C shall be filed in each state in which an insurer is authorized to do business, if the Commissioner of that state has notified the insurer of its request in writing, in which case the insurer has thirty (30) days from receipt of the notice to file such form. The statement shall be manually signed in the manner prescribed on the form. If the signature of any person is affixed pursuant to a power of attorney or other similar authority, a copy of such power of attorney or other authority shall also be filed with the statement. (12-24-93)

**03. Format.** Statements should be prepared on paper eight and one half by eleven inches (8 1/2" x 11") in size and preferably bound at the top or the top left-hand corner. Exhibits and financial statements, unless specifically prepared for the filing, may be submitted in their original size. All copies of any statement, financial statements, or exhibits shall be clear, easily readable and suitable for photocopying. Debits in credit categories and

credits in debit categories shall be designated so as to be clearly distinguishable as such on photocopies. Statements shall be in the English language and monetary values shall be stated in United States currency. If any exhibit or other paper or document filed with the statement is in a foreign language, it shall be accompanied by a translation into the English language and any monetary value shown in a foreign currency normally shall be converted into United States currency. (12-24-93)

**012. FORMS - INCORPORATION BY REFERENCE, SUMMARIES AND OMISSIONS.**

**01. Incorporation By Reference.** Information required by any item of Form A, Form B, Form D or Form E may be incorporated by reference in answer or partial answer to any other item. Information contained in any financial statement, annual report, proxy statement, statement filed with a governmental authority, or any other document may be incorporated by reference in answer or partial answer to any item of Form A, Form B, Form D or Form E provided such document or paper is filed as an exhibit to the statement. Excerpts of documents may be filed as exhibits if the documents are extensive. Documents currently on file with the Director which were filed within three (3) years need not be attached as exhibits. References to information contained in exhibits or in documents already on file shall clearly identify the material and shall specifically indicate that such material is to be incorporated by reference in answer to the item. Matter shall not be incorporated by reference in any case where such incorporation would render the statement incomplete, unclear or confusing. (7-1-99)

**02. Summaries Or Outlines.** Where an item requires a summary or outline of the provisions of any document, only a brief statement shall be made as to the pertinent provisions of the document. In addition to such statement, the summary or outline may incorporate by reference particular facts of any exhibit or document currently on file with the Director which was filed within three (3) years and may be qualified in its entirety by such reference. In any case where two (2) or more documents required to be filed as exhibits are substantially identical in all material respects except as to the parties thereto, the dates of execution, or other details, a copy of only one (1) of such documents need be filed with a schedule identifying the omitted documents and setting forth the material details in which such documents differ from the documents a copy of which is filed. (12-24-93)

**013. FORMS - ADDITIONAL INFORMATION AND EXHIBITS.**

In addition to the information expressly required to be included in Form A, Form B, Form C, Form D, and Form E there shall be added such further material information, if any, as may be necessary to make the information contained therein not misleading. The person filing may also file such exhibits as it may desire in addition to those expressly required by the statement. Such exhibits shall be so marked as to indicate clearly the subject matters to which they refer. Changes to Forms A, B, C, D or E shall include on the top of the cover page the phrase: "Change No. (insert number) to" and shall indicate the date of the change and not the date of the original filing. (7-1-99)

**014. DEFINITIONS.**

**01. Executive Officer.** Any individual charged with active management and control in an executive capacity (including a President, Vice President, Treasurer, Secretary, Controller and any other individual performing functions corresponding to those performed by the foregoing officers) of a person, whether incorporated or unincorporated. (12-24-93)

**02. Ultimate Controlling Person.** That person who is not controlled by any other person. (12-24-93)

**03. Terms Defined In Holding Company Act.** Unless the context otherwise requires, other terms found in these rules are used as defined in Section 41-3801 of the Act. Other nomenclature or terminology is according to the Insurance Code, or the industry usage if not defined by the code. (12-24-93)

**015. ACQUISITION OF CONTROL - STATEMENT FILING.**

A person required to file a statement pursuant to Section 41-3802 of the Act shall furnish the required information on Form A, which is hereby made a part of this rule. Such person shall also furnish the required information on Form E, hereby made a part of this rule. (7-1-99)

**016. PRE-ACQUISITION NOTIFICATION.**

**01. Pre-Acquisition Notification - Domestic Insurer.** If a domestic insurer, including any person

controlling a domestic insurer, is proposing a merger or acquisition pursuant to Section 41-3802(1)(a), Idaho Code, that person shall file a pre-acquisition notification form, Form E, which was developed pursuant to Section 41-3805B(3)(a), Idaho Code. (7-1-99)

**02. Pre-Acquisition Notification - Non-Domiciliary Insurer.** If a non-domiciliary insurer licensed to do business in this state is proposing a merger or acquisition pursuant to Section 41-3805B, Idaho Code, that person shall file a pre-acquisition notification form, Form E. No pre-acquisition form need be filed if the acquisition is beyond the scope of Section 41-3805B, Idaho Code, as set forth in Section 41-3805B(2), Idaho Code. (7-1-99)

**03. Expert Opinion.** In addition to the information required by Form E, the director may wish to require an expert opinion as to the competitive impact of the proposed acquisition. (7-1-99)

**017. REGISTRATION OF INSURERS - STATEMENT FILING.**

An insurer required to file a statement pursuant to Section 41-3806 of the Act shall furnish the required information on Form B, which is hereby made a part of these rules. (12-24-93)

**018. SUMMARY OF REGISTRATION - STATEMENT FILING.**

An insurer required to file an annual registration statement pursuant to section 41-3806 of the Act is also required to furnish information required on Form C, hereby made a part of these rules. An insurer shall file a copy of Form C in each state in which the insurer is authorized to do business, if requested by the Commissioner of that state. (12-24-93)

**019. AMENDMENTS TO FORM B.**

**01. Amendment To Form B.** An amendment to Form B shall be filed within fifteen (15) days after the end of any month in which there is a material change to the information provided in the annual registration statement. (7-1-99)

**02. Form B Format.** Amendments shall be filed in the Form B format with only those items which are being amended reported. Each amendment shall include at the top of the cover page "Amendment No. (insert number) to Form B for (insert year)" and shall indicate the date of the change and not the date of the original filings. (7-1-99)

**020. ALTERNATIVE AND CONSOLIDATED REGISTRATIONS.**

**01. Filing On Behalf Of Affiliated Insurers.** Any authorized insurer may file a registration statement on behalf of any affiliated insurer or insurers which are required to register under Section 41-3806 of the Act. A registration statement may include information regarding any insurer in the insurance holding system, even if such insurer is not authorized to do business in this state. In lieu of filing a registration statement on Form B, the authorized insurer may file a copy of the registration statement or similar report which it is required to file in its state of domicile, provided: (12-24-93)

**a.** The statement or report contains substantially similar information required to be furnished on Form B; and (12-24-93)

**b.** The filing insurer is a principal insurance company in the insurance holding company system. (12-24-93)

**02. Statement That Filing Insurer Is The Principal Insurer.** The question of whether the filing insurer is the principal insurance company in the insurance holding system is a question of fact and an insurer filing a registration statement or report in lieu of Form B on behalf of an affiliated insurer, shall set forth a simple statement of facts which will substantiate the filing insurer's claim that it, in fact, is the principal insurer in the insurance holding system. (12-24-93)

**03. Unauthorized Insurer.** With the prior approval of the Director, an unauthorized insurer may follow any of the procedures which could be done by an authorized insurer under Subsection 020.01.a. above. (7-1-99)

**04. Consolidated Registration Statements.** Any insurer may take advantage of any of the provisions

of Section 41-3806(8), or 41-3806(9) of the Act without obtaining prior approval of the Director. The Director, however, reserves the right to require individual filings if he deems such filings necessary in the interest of clarity, ease of administration of the public good. (12-24-93)

**021. EXEMPTIONS.**

**01. Registration In Domiciliary State.** A foreign or alien insurer otherwise subject to Section 41-3806 of the Act shall not be required to register pursuant to said Section of the Act: (12-24-93)

**a.** If it is admitted in the domiciliary state of the principal insurer (as that term is defined in Section 024) and if said state is subject to disclosure requirements and standards adopted by statute or regulation which are substantially similar to those contained in Section 41-3806 of the Act, provided, the Director may require a copy of the registration statement or other information filed with the domiciliary state; or (12-24-93)

**b.** Until July 1, 1973. (12-24-93)

**02. Alien Insurer.** The state of entry of an alien insurer shall be deemed to be its domiciliary state for purposes of Section 017. (7-1-99)

**03. Application By Insurer Not Otherwise Exempt.** Any insurer not otherwise exempt or excepted from Section 017 may apply for an exemption from the requirements of Section 41-3806 of the Act by submitting a statement to the Director setting forth its reasons for being exempt. (7-1-99)

**022. DISCLAIMERS AND TERMINATION OF REGISTRATION.**

**01. Information Required.** A disclaimer of affiliation or a request for termination of registration, claiming that a person does not, or will not, upon the taking of some proposed action, control another person (hereinafter referred to as the "subject") shall contain the following information: (12-24-93)

**a.** The number of authorized, issued and outstanding voting securities of the subject; (12-24-93)

**b.** With respect to the person whose control is denied and all affiliates of such person, the number and percentage of shares of the subject's voting securities which are held of record or known to be beneficially owned, and the number of shares concerning which there is a right to acquire, directly or indirectly; (12-24-93)

**c.** All material relationships and bases for affiliation between the subject and the person whose control is denied and all affiliates of such person: (12-24-93)

**d.** A statement explaining why such person should not be considered to control the subject. (12-24-93)

**02. Request Deemed Granted.** A request for termination of registration shall be deemed to have been granted unless the Director, within thirty (30) days after he receives the request, notifies the registrant otherwise. (12-24-93)

**023. TRANSACTIONS SUBJECT TO PRIOR NOTICE - NOTICE FILING.**

An insurer required to give notice of a proposed transaction pursuant to section 41-3807 of the Act shall furnish the required information on Form D, hereby made a part of these rules. (12-24-93)

**024. EXTRAORDINARY DIVIDENDS AND OTHER DISTRIBUTIONS.**

**01. Notice To Director.** No insurer subject to registration under the provisions of the Act shall pay any extraordinary dividend or make any other extraordinary distribution to its stockholders until sixty (60) days after the Director has received notice of the declaration thereof and has not within such period disapproved such payment, or the Director has approved such payment within such sixty (60) day period. Such notice shall include the following information: (12-24-93)

- a. The amount of the proposed dividend; (12-24-93)
- b. The date established for payment of the dividend; (12-24-93)
- c. A statement as to whether the dividend is to be in cash or other property and, if in property, a description thereof, its cost, and its fair market value, together with an explanation of the basis for valuation; (12-24-93)
- d. A copy of the calculations determining that the proposed dividend is extraordinary. The work paper shall include the following information: (12-24-93)
  - i. The amounts and dates of all dividends (including regular dividends) paid within the period of twelve (12) consecutive months ending on the date fixed for payment of the proposed dividend for which approval is sought and commencing on the day after the same day of the same month in the last preceding year; (12-24-93)
  - ii. Surplus as regards policyholders (total capital and surplus) as of the 31st day of December next preceding; (12-24-93)
  - iii. If the insurer is not a life insurer, the net gain income from operations for the twelve (12) month period ending the 31st day of December next preceding; (12-24-93)
  - iv. If the insurer is not a life insurer, the net income for the twelve (12) month period ending the 31st day of December next preceding and the two preceding twelve (12) month periods; and (12-24-93)
  - v. If the insurer is not a life insurer, the dividends paid to stockholders excluding distributions of the insurer's own securities in the preceding two (2) calendar years. (12-24-93)
- e. A balance sheet and statement of income for the period intervening from the last annual statement filed with the Director and the end of the month preceding the month in which the request for dividend approval is submitted; (12-24-93)
- f. A brief statement as to the effect of the proposed dividend upon the insurer's surplus and the reasonableness of surplus in relation to the insurer's outstanding liabilities and the adequacy of surplus relative to the insurer's financial needs. (12-24-93)

**02. Other Dividends.** Subject to section 41-3809 of the Act, each registered insurer shall report to the Director all dividends and other distributions to shareholders within fifteen (15) business days following the declaration thereof, including the same information required by Subsections 028.01.d.i. through 028.01.d.v. (12-24-93)

**025. ADEQUACY OF SURPLUS.**

The factors set forth in Section 41-3808, of the Act are not intended to be an exhaustive list. In determining the adequacy and reasonableness of the insurer's surplus, no single factor shall be controlling. The Director, instead, will consider the net effect of all of these factors, plus other factors bearing on the financial condition of the insurer. In comparing the surplus maintained by other insurers, the Director will consider the extent to which of these factors varies from company to company and in determining the quality and liquidity of investments in subsidiaries, the Director will consider the individual subsidiary and may discount or disallow its valuation to the extent that the individual investments so warrant. (10-1-93)

**026. -- 999. (RESERVED).**

**FORM A**  
**STATEMENT REGARDING THE  
ACQUISITION OF CONTROL OF  
OR MERGER WITH A DOMESTIC INSURER**

\_\_\_\_\_  
(Name of Domestic Insurer)

BY

\_\_\_\_\_  
(Name of Acquiring Person, Applicant)

Filed with the Insurance Department of \_\_\_\_\_

(State of Domicile of Insurer Being Acquired)

Dated: \_\_\_\_\_, 20\_\_\_\_

Name, title, address and telephone number of individual to whom notices and correspondence concerning this statement should be addressed:

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

**FORM A**

Item 1. Insurer and Method of Acquisition.

State the name and address of the domestic insurer to which this application relates and a brief description of how control is to be acquired.

Item 2. Identity and Background of the Applicant.

a. State the name and address of the applicant seeking to acquire control over the insurer.

b. If the applicant is not an individual, state the nature of its business operations for the past five years or for such lesser period as such person and any predecessors thereof shall have been in existence. Briefly describe the business intended to be done by the applicant and the applicant's subsidiaries.

c. Furnish a chart or listing clearly presenting the identities of the interrelationships among the applicant and all affiliates of the applicant. No affiliate need be identified if its total assets are equal to less than one half (1/2) of one percent (1%) of the total assets of the ultimate controlling person affiliated with the applicant. Indicate in such chart or listing the percentage of voting securities of each such person which is owned or controlled by the applicant or by any other such person. If control of any person is maintained other than by ownership or control of voting securities, indicate the basis of such control. As to each person specified in such chart or listing, indicate the type of organization (e.g., corporation, trust, partnership) and the state or other jurisdiction of domicile. If court

proceedings looking toward a reorganization or liquidation are pending with respect to any such person, indicate which person, and set forth the title of the court, nature of proceedings and the date when commenced.

**Item 3. Identity and Background of Individuals Associated With the Applicant.**

State the following with respect to (1) the applicant if he is an individual or (2) all persons who are directors, executive officers or owners of ten percent (10%) or more of the voting securities of the applicant if the applicant is not an individual:

a. Name and business address;

b. Present principal business activity, occupation or employment, including position and office held and the name, principal business and address of any corporation or other organization in which such employment is carried on;

c. Material occupations, positions, offices or employments during the last five (5) years, giving the starting and ending dates of each and the name, principal business and address of any business corporation or other organization in which each such occupation, position, office or employment was carried on; if any such occupation, position, office or employment required licensing by or registration with any federal, state or municipal governmental agency, indicate such fact, the current status of such licensing or registration, and an explanation of any surrender, revocation, suspension or disciplinary proceedings in connection therewith.

d. Whether or not such person has ever been convicted in a criminal proceeding (excluding minor traffic violations) during the last ten (10) years and, if so, give the date, nature of conviction, name and location of court, and penalty imposed or other disposition of the case.

**Item 4. Nature, Source and Amount of Consideration.**

a. Describe the nature, source and amount of funds or other considerations used or to be used in effecting the merger or other acquisition of control. If any part of the same is represented or is to be represented by funds or other consideration borrowed or otherwise obtained for the purpose of acquiring, holding, or trading securities, furnish a description of the transaction, the names of the parties thereto, the relationship, if any, between the borrower and the lender, the amounts borrowed or to be borrowed, and copies of all agreements, promissory notes and security arrangements relating thereto.

b. Explain the criteria used in determining the nature and amount of such consideration.

c. If the source of the consideration is a loan made in the lender's ordinary course of business and if the applicant wishes the identity to remain confidential, he must specifically request that the identity be kept confidential.

**Item 5. Future Plans for Insurer.**

Describe any plans or proposals which the applicant may have to declare as an extraordinary dividend, to liquidate such insurer, to sell its assets to or merge it with any person or persons or to make any other material change in its business operations or corporate structure or management.

**Item 6. Voting Securities to be Acquired.**

State the number of shares of the insurer's voting securities which the applicant, its affiliates and any person listed in Item 3 plan to acquire, and the terms of the offer, request, invitation, agreement or acquisition, and a statement as to the method by which the fairness of the proposal was arrived at.

**Item 7. Ownership of Voting Securities.**

State the amount of each class of any voting security of the insurer which is beneficially owned or concerning which there is a right to acquire beneficial ownership by the applicant, its affiliates or any person listed in Item 3.



Item 8. Contracts, Arrangements, or Understandings with Respect to Voting Securities of the Insurer.

Give a full description of any contracts, arrangements or understandings with respect to any voting security of the insurer in which the applicant, its affiliates or any persons listed in Item 3 is involved, including but not limited to transfer of any of the securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or guarantees of profits, division of losses or profits, or the giving or wit holding of proxies. Such description shall identify the persons with whom such contracts, arrangements or understandings have been entered into.

Item 9. Recent Purchases of Voting Securities.

Describe any purchases of any voting securities of the insurer by the applicant, its affiliates or any person listed in Item 3 during the twelve (12) calendar months preceding the filing of this statement. Include in such description the dates of purchase, the names of the purchasers, and the consideration paid or agreed to be paid therefor. State whether any such shares so purchased are hypothecated.

Item 10. Recent Recommendations to Purchase.

Describe any recommendations to purchase any voting security of the insurer made by the applicant, its affiliates or any person listed in Item 3, or by anyone based upon interviews or at the suggestion of the applicant, its affiliates or any person listed in Item 3 during the twelve (12) calendar months preceding the filing of this statement.

Item 11. Agreements with Broker-Dealers.

Describe the terms of any agreement, contract or understanding made with any broker-dealer as to solicitation of voting securities of the insurer for tender, and the amount of any fees, commissions or other compensation to be paid to broker-dealers with regard thereto.

Item 12. Financial Statements and Exhibits.

a. Financial statements and exhibits shall be attached to this statement as an appendix, but list under this item the financial statements and exhibits so attached.

b. The financial statements shall include the annual financial statements of the persons identified in Item 2(c) for the preceding five (5) fiscal years (or for such lesser period as such applicant and its affiliates and any predecessors thereof shall have been in existence), and similar information covering the period from the end of such person's last fiscal year, if such information is available. Such statements may be prepared on either an individual basis, or, unless the Director otherwise requires, on a consolidated basis if such consolidated statements are prepared in the usual course of business.

The annual financial statements of the applicant shall be accompanied by the certificate of an independent public accountant to the effect that such statements present fairly the financial position of the applicant and the results of its operations for the year then ended, in conformity with generally accepted accounting principles or with requirements of insurance or other accounting principles prescribed or permitted under law. If the applicant is an insurer which is actively engaged in the business of insurance, the financial statements need not be certified, provided they are based on the Annual Statement of such person filed with the insurance department of the person's domiciliary state and are in accordance with the requirements of insurance or other accounting principles prescribed or permitted under the law and regulations of such state.

c. File as exhibits copies of all tender offers for, requests or invitations for, tenders of, exchange offers for, and agreements to acquire or exchange any voting securities of the insurer and (if distributed) of additional soliciting material relating thereto; any proposed employment, consultation, advisory or management contracts concerning the insurer; annual reports to the stockholders of the insurer and the applicant for the last two fiscal years; and any additional documents or papers required by Form A or Sections 012 and 014.

Item 13. Signature and Certification.

SIGNATURE

Pursuant to the requirements of Section 41-3802 of  
the Act, \_\_\_\_\_  
(Name of Applicant)  
has caused this application to be duly signed on its behalf  
in the City of \_\_\_\_\_ and State of \_\_\_\_\_  
on the \_\_\_\_\_ day \_\_\_\_\_ 20\_\_\_\_.

(SEAL)

\_\_\_\_\_  
(Name of Applicant)

BY:

\_\_\_\_\_  
(Name) (Title)

ATTEST:

\_\_\_\_\_  
(Signature of Officer)

\_\_\_\_\_  
(Title)

CERTIFICATION

The undersigned deposes and says that he has duly executed  
the attached application dated \_\_\_\_\_ 20\_\_\_\_,  
for and on behalf of \_\_\_\_\_  
(Name of Applicant)

that he is authorized to execute and file such instrument. Deponent further says that he is familiar with such  
instrument and the contents thereof, and that the facts therein set forth are true to the best of his knowledge,  
information and belief.

(Signature) \_\_\_\_\_

(Type or print name beneath) \_\_\_\_\_

**FORM B  
INSURANCE HOLDING COMPANY SYSTEM  
REGISTRATION STATEMENT**

Filed with the Insurance Department of the State of Idaho

BY

(Name of Registrant)

On behalf of the following insurance companies:

Name    Address

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

Date: \_\_\_\_\_, 20\_\_\_\_.

Name, Title, Address and telephone number of individual to whom notices and correspondence concerning this statement should be addressed:

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

**Item 1.        IDENTIFY AND CONTROL OF REGISTRANT.**

Furnish the exact name of each insurer registering or being registered (hereinafter called "the Registrant"), the home office address and principal executive offices of each; the date on which each Registrant became part of the insurance holding company system; and the method(s) by which control of each Registrant was acquired and is maintained.

**Item 2.        ORGANIZATIONAL CHART.**

Furnish a chart or listing clearly presenting the identities of and interrelationships among all affiliated persons within the insurance holding company system. No affiliate need be shown if its total assets are equal to less than one half (1/2) of one percent (1%) of the total assets of the ultimate controlling person within the insurance holding company system. The chart or listing should show the percentage of each class of voting securities of each affiliate which is owned, directly or indirectly, by another affiliate. If control of any person within the system is maintained other than by the ownership or control of voting securities, indicate the basis of such control. As to each person specified in such chart or listing, indicate the type of organization (e.g., corporation, trust, partnership) and the state or other jurisdiction of domicile.

**Item 3.        THE ULTIMATE CONTROLLING PERSON.**

As to the ultimate controlling person in the insurance holding company system, furnish the following information:

- a.        Name.
- b.        Home Office Address.

- c. Principal Executive Office Address.
- d. The organizational structure of the person, i.e., corporation, partnership, individual, trust, etc.
- e. The principal business of the person.
- f. The name and address of any person who holds or owns ten percent (10%) or more of any class of voting security, the class of such security, the number of shares held of record or known to be beneficially owned, and the percentage of class so held or owned.
- g. If court proceedings looking toward a reorganization or liquidation are pending, indicate the title and location of the court, the nature of proceedings and the date when commenced.

Item 4. BIOGRAPHICAL INFORMATION.

Furnish the following information for the directors and executive officers of the ultimate controlling person: the individual's name and address, his principal occupation and all offices and positions held during the past five (5) years, and any conviction of crimes other than minor traffic violations during the past ten (10) years.

Item 5. TRANSACTIONS, RELATIONSHIPS AND AGREEMENTS.

a. Briefly describe the following agreements in force, relationships subsisting and transactions currently outstanding between the Registrant and its affiliates:

- (1) Loans and other investments, and purchases, sales or exchanges of securities of the affiliate by the insurer or of the insurer by its affiliates;
- (2) Purchases, sales or exchanges of assets;
- (3) Transactions not in the ordinary course of business;
- (4) Guarantees or undertakings for the benefit of an affiliate which result in an actual contingent exposure of the insurer's assets to liability, other than insurance contracts entered into in the ordinary course of the insurer's business;
- (5) All management and service contracts and all cost-sharing arrangements;
- (6) Reinsurance agreements;
- (7) Dividends and other distributions to shareholders;
- (8) Consolidated tax allocation agreements; and
- (9) Any pledge of the insurer's stock and/or of the stock of any subsidiary or controlling affiliate, for a loan made to any member of the insurance holding company system.

b. No information need be disclosed if such information is not material. Sales, purchases, exchanges, loans or extensions of credit or investments involving one-half of one percent (1%) or less of the Registrant's admitted assets as of the 31st day of December next preceding shall not be deemed material.

c. The description shall be in a manner as to permit the proper evaluation thereof by the Commissioner, and shall include at least the following: the nature and purpose of the transaction, the nature and amounts of any payments or transfers of assets between the parties; the identity of all parties to such transaction; and relationship of the affiliated parties to the Registrant.

Item 6. LITIGATION OR ADMINISTRATIVE PROCEEDINGS.

A brief description of any litigation or administrative proceedings of the following types, either then pending or concluded within the preceding fiscal year, to which the ultimate controlling person or any of its directors or executive officers was a party or of which the property of any such person is or was the subject; give the names of the parties and the court or agency in which such litigation or proceeding is or was pending: (a) Criminal prosecutions or administrative proceedings by any government agency or authority which may be relevant to the trustworthiness of any party thereto; and (b) proceedings which may have a material effect upon the solvency or capital structure of the ultimate holding company including, but not necessarily limited to, bankruptcy, receivership or other corporate reorganizations.

**Item 7. STATEMENT REGARDING PLAN OR SERIES OF TRANSACTIONS.**

The insurer shall furnish a statement that transactions entered into since the filing of the prior year's annual statement are not part of a plan or series of like transactions, the purpose of which is to avoid statutory threshold amounts and the review that might otherwise occur.

**Item 8. FINANCIAL STATEMENTS AND EXHIBITS.**

a. Financial statements and exhibits should be attached to this statement as an appendix, but list under this item the financial statements and exhibits so attached.

b. The financial statements shall include the annual financial statements of the ultimate controlling person in the insurance holding company system as of the end of the person's latest fiscal year. If at the time of the initial registration, the annual financial statements for the latest fiscal year are not available, annual statements for the previous fiscal year may be filed and similar financial information shall be filed for any subsequent period to the extent such information is available. Such financial statements may be prepared on either an individual basis, or unless the Commissioner otherwise requires, on a consolidated basis if such consolidated statements are prepared in the usual course of business. Unless the Commissioner otherwise permits, the annual financial statements shall be accompanied by the certificate of an independent public accountant to the effect that such statements present fairly the financial position of the ultimate controlling person and the results of its operations for the year then ended, in conformity with generally accepted accounting principles or with requirements of insurance or other accounting principles prescribed or permitted under law. If the ultimate controlling person is an insurer which is actively engaged in the business of insurance, the annual financial statements need not be certified, provided they are based on the Annual Statement of such insurer filed with the insurance department of the insurer's domiciliary state and are in accordance with requirements of insurance or other accounting principles prescribed or permitted under the law and regulations of such state.

c. Exhibits shall include copies of the latest annual reports to shareholders of the ultimate controlling person and proxy material used by the ultimate controlling person; and any additional documents or papers required by Form B or Section 012.

**Item 9. FORM C REQUIRED.**

A Form C, Summary of Registration Statement, must be prepared and filed with this Form B.

**Item 10. SIGNATURES.**

Signatures and certification of the form as follows:

**SIGNATURE**

Pursuant to the requirements of Section 41-3806 of the Act, the Registrant has caused this registration statement to be duly signed on its behalf in the City of \_\_\_\_\_ and the State of \_\_\_\_\_ on the day of \_\_\_\_\_, 20\_\_\_\_.

(SEAL) \_\_\_\_\_  
(Name of Registrant)

BY: \_\_\_\_\_  
(Name) (Title)

Attest:

\_\_\_\_\_  
(Signature of Officer)

\_\_\_\_\_  
(Title)

**CERTIFICATION**

The undersigned deposes and says that he has duly executed  
the attached registration statement dated \_\_\_\_\_  
20\_\_\_\_, for and on behalf of \_\_\_\_\_;  
(Name of Company)

that he is the \_\_\_\_\_ of such,  
(Name of Company)

company and that he has authority to execute and file such instrument. Deponent further says that he is familiar with  
such instrument and that the facts therein set forth are true to the best of his knowledge, information and belief.

(Signature) \_\_\_\_\_

(Type or print name beneath) \_\_\_\_\_

**FORM C**

**SUMMARY OF REGISTRATION STATEMENT.**

Filed with the Insurance Department of the State of

By

Name of Registrant

On Behalf of Following Insurance Companies

Name                      Address

Date: \_\_\_\_\_, 20\_\_\_\_\_

Name, Title, Address and telephone number of  
Individual to Whom Notices and Correspondence  
Concerning This Statement Should Be Addressed:

Furnish a brief description of all items in the current annual registration statement which represent changes from the prior year's annual registration statement. The description shall be in a manner as to permit the proper evaluation thereof by the Commissioner, and shall include specific references to Item numbers in the annual registration statement and to the terms contained therein.

Changes occurring under Item 2 of Form B insofar as changes in the percentage of each class of voting securities held by each affiliate is concerned, need only be included where such changes are ones which result in ownership or holdings of ten percent (10%) or more of voting securities, loss or transfer of control, or acquisition or loss of partnership interest.

Changes occurring under Item 4 of Form B need only be included where: an individual is, for the first time, made a director or executive officer of the ultimate controlling person; a director or executive officer terminates his or her responsibilities with the ultimate controlling person; or in the event an individual is named president of the ultimate controlling person.

If a transaction disclosed on the prior year's annual registration statement has been changed, the nature of such change shall be included. If a transaction disclosed on the prior year's annual registration statement has been effectuated, furnish the mode of completion and any flow of funds between affiliates resulting from the transaction.

The insurer shall furnish a statement that transactions entered into since the filing of the prior year's annual registration statement are not part of a plan or series of like transactions whose purpose it is to avoid statutory threshold amounts and the review that might otherwise occur.

**SIGNATURE AND CERTIFICATION.**

Signature and certification required as follows:

**SIGNATURE**

Pursuant to the requirements of section 41-3806 of the Act,  
the Registrant has caused this summary of registration  
statement to be duly signed on its behalf in the City of \_\_\_\_\_  
and State of \_\_\_\_\_  
on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

(SEAL)

\_\_\_\_\_  
(Name of Registrant)

By

\_\_\_\_\_  
(Name) (Title)

Attest:

\_\_\_\_\_  
(Signature of Officer)

\_\_\_\_\_  
(Title)

**CERTIFICATION**

The undersigned deposes and says that (s)he has duly executed the attached summary of registration statement dated \_\_\_\_\_, 20\_\_\_\_, for and on behalf of \_\_\_\_\_; that (s)he is the

(Name of Company)

\_\_\_\_\_ of such company and

(Title of Officer)

that (s)he is authorized to execute and file such instrument. Deponent further says that (s)he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his/her knowledge, information and belief.

\_\_\_\_\_  
(Signature)

(Type or print name beneath)



**FORM D**

**PRIOR NOTICE OF A TRANSACTION.**

Filed with the Insurance Department of the State of

By

Name of Registrant

On Behalf of Following Insurance Companies

Name Address

Date: \_\_\_\_\_, 20\_\_\_\_

Name, Title, Address and telephone number of  
Individual to Whom Notices and Correspondence  
Concerning This Statement Should Be Addressed:

**ITEM 1. IDENTIFY OF PARTIES TO TRANSACTION.**

Furnish the following information for each of the parties to the transaction:

- a. Name.
- b. Home office address.
- c. Principal executive office address.
- d. The organizational structure, i.e. corporation, partnership, individual, trust, etc.
- e. A description of the nature of the parties' business operations.
- f. Relationship, if any, of other parties to the transaction to the insurer filing the notice, including any ownership or debtor/creditor interest by any other parties to the transaction in the insurer seeking approval, or by the insurer filing the notice in the affiliated parties.
- g. Where the transaction is with a non-affiliate, the name(s) of the affiliate(s) which will receive, in whole or in substantial part, the proceeds of the transaction.

**ITEM 2. DESCRIPTION OF THE TRANSACTION.**

Furnish the following information for each transaction for which notice is being given:

- a. A statement as to whether notice is being given under section 41-3807(2)(a), (b), (c), (d), or (e) of the Act.
- b. A statement of the nature of the transaction.
- c. The proposed effective date of the transaction.

**ITEM 3. SALES, PURCHASES, EXCHANGES, LOANS, EXTENSIONS OF CREDIT,**

**GUARANTEES OR INVESTMENTS.**

Furnish a brief description of the amount and source of funds, securities, property or other consideration for the sale, purchase, exchange, loan, extension of credit, guarantee, or investment, whether any provision exists for purchase by the insurer filing notice, by any party to the transaction, or by any affiliate of the insurer filing notice, a description of the terms of any securities being received, if any, and a description of any other agreements relating to the transaction such as contracts or agreements for services, consulting agreements and the like. If the transaction involves other than cash, furnish a description of the consideration, its cost and its fair market value, together with an explanation of the basis for evaluation.

If the transaction involves a loan, extension of credit or a guarantee, furnish a description of the maximum amount which the insurer will be obligated to make available under such loan, extension of credit or guarantee, the date on which the credit or guarantee will terminate, and any provisions for the accrual of or deferral of interest.

If the transaction involves an investment, guarantee or other arrangement, state the time period during which the investment, guarantee or other arrangement will remain in effect, together with any provisions for extensions or renewals of such investments, guarantees or arrangements. Furnish a brief statement as to the effect of the transaction upon the insurer's surplus.

No notice need be given if the maximum amount which can at any time be outstanding or for which the insurer can be legally obligated under the loan, extension of credit or guarantee is less than, (a) in the case of non-life insurers, the lesser of three percent (3%) of the insurer's admitted assets or twenty-five percent (25%) of surplus as regards policyholders or, (b) in the case of life insurers, three percent (3%) of the insurer's admitted assets, each as of the 31st day of December next preceding.

**ITEM 4. LOAN OR EXTENSIONS OF CREDIT TO A NON-AFFILIATE.**

If the transaction involves a loan or extension of credit to any person who is not an affiliate, furnish a brief description of the agreement or understanding whereby the proceeds of the proposed transaction, in whole or in substantial part, are to be used to make loans or extensions of credit to, to purchase the assets of, or to make investments in, any affiliate of the insurer making such loans or extensions of credit, and specify in what manner the proceeds are to be used to loan to, extend credit to, purchase assets of or make investments in any affiliate. Describe the amount and source of funds, securities, property or other consideration for the loan or extension of credit and, if the transaction is one involving consideration other than cash, a description of its cost and its fair market value together with an explanation of the basis for evaluation. Furnish a brief statement as to the effect of the transaction upon the insurer's surplus.

No notice need be given if the loan or extension of credit is one which equals less than, in the case of non-life insurers, the lesser of three percent (3%) of the insurer's admitted assets or twenty-five percent (25%) of surplus as regards policyholders or, with respect to life insurers, three percent (3%) of the insurer's admitted assets, each as of the 31st day of December next preceding.

**ITEM 5. REINSURANCE.**

If the transaction is a reinsurance agreement or modification thereto, as described by section 41-3807(2)(c) of the Act, furnish a description of the known and/or estimated amount of liability to be ceded and/or assumed in each calendar year, the period of time during which the agreement will be in effect, and a statement whether an agreement or understanding exists between the insurer and non-affiliate to the effect that any portion of the assets constituting the consideration for the agreement will be transferred to one or more of the insurer's affiliates. Furnish a brief description of the consideration involved in the transaction, and a brief statement as to the effect of the transaction upon the insurer's surplus.

No notice need be given for reinsurance agreements or modifications thereto if the reinsurance premium or a change in the insurer's liabilities in connection with the reinsurance agreement or modification thereto is less than five percent (5%) of the insurer's surplus as regards policyholders, as of the 31st day of December next preceding.

**ITEM 6. MANAGEMENT AGREEMENTS, SERVICE AGREEMENTS AND COST-SHARING**

ARRANGEMENTS.

For management and service agreements, furnish:

- a. A brief description of the managerial responsibilities, or services to be performed.
- b. A brief description of the agreement, including a statement of its duration, together with brief descriptions of the basis for compensation and the terms under which payment or compensation is to be made.

For cost-sharing arrangements, furnish:

- a. A brief description of the purpose of the agreement.
- b. A description of the period of time during which the agreement is to be in effect.
- c. A brief description of each party's expenses or costs covered by the agreement.
- d. A brief description of the accounting basis to be used in calculating each party's costs under the agreement.

ITEM 7. SIGNATURE AND CERTIFICATION.

Signature and certification required as follows:

SIGNATURE

Pursuant to the requirements of Section 41-3807 of the Act, has caused this notice to be duly signed on its behalf in the City of \_\_\_\_\_ and State of \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

(SEAL)

\_\_\_\_\_  
(Name of Applicant)

By

\_\_\_\_\_  
(Name) (Title)

Attest:

\_\_\_\_\_  
(Signature of Officer)

\_\_\_\_\_  
(Title)

CERTIFICATION

The undersigned deposes and says that (s)he has duly executed the attached notice dated \_\_\_\_\_, 20\_\_\_\_, for and on behalf of \_\_\_\_\_; that (s)he is the

\_\_\_\_\_  
(Name of Applicant) (Title of Officer)

of such company and that (s)he is authorized to execute and file such instrument. Deponent further says that (s)he is

familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his/her knowledge, information and belief.

\_\_\_\_\_  
(Signature)

(Type or print name beneath)

**FORM E**

**PRE-ACQUISITION NOTIFICATION FORM REGARDING THE POTENTIAL COMPETITIVE IMPACT  
OF A PROPOSED MERGER OR ACQUISITION BY A NON-DOMICILIARY INSURER DOING  
BUSINESS IN THIS STATE OR BY A DOMESTIC INSURER**

\_\_\_\_\_  
Name of Applicant

\_\_\_\_\_  
Name of Other Person  
Involved in Merger or  
Acquisition

Filed with the Insurance Department of

\_\_\_\_\_  
Dated: \_\_\_\_\_, 20 \_\_

Name, title, address and telephone number of person completing this statement:

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

**ITEM 1. NAME AND ADDRESS**

State the names and addresses of the persons who hereby provide notice of their involvement in a pending acquisition or change in corporate control.

**ITEM 2. NAME AND ADDRESSES OF AFFILIATED COMPANIES**

State the names and addresses of the persons affiliated with those listed in Item 1. Describe their affiliations.

**ITEM 3. NATURE AND PURPOSE OF THE PROPOSED MERGER OR ACQUISITION**

State the nature and purpose of the proposed merger or acquisition.

**ITEM 4. NATURE OF BUSINESS**

State the nature of the business performed by each of the persons identified in response to Item 1 and Item 2.

**ITEM 5. MARKET AND MARKET SHARE**

State specifically what market and market share in each relevant insurance market the persons identified in Item 1 and Item 2 currently enjoy in this state. Provide historical market and market share data for each person identified in Item 1 and Item 2 for the past five years and identify the source of such data.

For purposes of this question, market means direct written insurance premium in this state for a line of business as contained in the annual statement required to be filed by insurers licensed to do business in this state.

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