

2720.9940 FORM D; TRANSACTION NOTICE.

FORM D

PRIOR NOTICE OF A TRANSACTION

Filed with the Insurance Department of the State of _____

By

Name of Registrant

On behalf of the Following Insurance Companies

Name

Address

Date: _____, _____

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

ITEM 1. IDENTITY 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, or trust;
- (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; and

(g) where the transaction is with a nonaffiliate, the names of the affiliates which will receive, in whole or in substantial part, the proceeds of the transaction.

ITEM 2. DESCRIPTION OF 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 Minnesota Statutes, section 60D.20;

(b) a statement of the nature of the transaction; and

(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 and consulting agreements. 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 the 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 the investments, guarantees, or arrangements. Furnish a brief statement as to the effect of the transaction on 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 a nonlife insurer, the lesser of three percent of the insurer's admitted assets or 25 percent of surplus as regards policyholders, or (b) in the

case of a life insurer, three percent of the insurer's admitted assets, each as of the preceding December 31.

ITEM 4. LOANS OR EXTENSIONS OF CREDIT TO A NONAFFILIATE

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 the 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 on 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 a nonlife insurer, the lesser of three percent of the insurer's admitted assets or 25 percent of surplus as regards policyholders or, with respect to life insurers, three percent of the insurer's admitted assets, each as of the preceding December 31.

ITEM 5. REINSURANCE

If the transaction is a reinsurance agreement or modification to the agreement, as described by Minnesota Statutes, section 60D.20, subdivision 1, paragraph (b), clause (3), 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 nonaffiliate 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 on the insurer's surplus.

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

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

(a) For management and service agreements, furnish:

(1) a brief description of the managerial responsibilities, or services to be performed;
and

(2) 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.

(b) For cost-sharing arrangements, furnish:

(1) a brief description of the purpose of the agreement;

(2) a description of the period of time during which the agreement is to be in effect;

(3) a brief description of each party's expenses or costs covered by the agreement; and

(4) 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 are required as follows:

SIGNATURE

Pursuant to Minnesota Statutes, section 60D.20, _____ (Applicant) has caused this notice to be duly signed on its behalf in the City of _____ and State of _____, on the _____ day of _____, ____.

(SEAL) _____

(Name of Applicant)

By _____

(Name) (Title)

Attest:

(Signature of Officer)

(Title)

CERTIFICATION

The undersigned deposes and says that the undersigned has duly executed the attached notice dated _____, _____, for and on behalf of _____ (Name of Applicant); that the undersigned is the _____ (Title of Officer) of the company, and that the undersigned is authorized to execute and file the instrument. Deponent further says that the deponent is familiar with the instrument and the contents

of the instrument, and that the facts in the instrument set forth are true to the best of the undersigned's knowledge, information, and belief.

(Signature) _____

(Type or print name beneath) _____

Statutory Authority: *MS s 45.023; 60D.23*

History: *17 SR 1272; L 1998 c 254 art 1 s 107*

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