Chapter Ins 40

INSURANCE HOLDING COMPANY SYSTEM REGULATION

	Subchapter I—Insurance Holding Company Standards		
	Ins 40.01	Definitions.	
	Ins 40.02	Acquisition of control of or merger with domestic insurer.	
	Ins 40.03	Registration.	
	Ins 40.04	Standards for transactions within a holding company system.	
	Ins 40.05	Privileged information.	
Subchapter II—Insurance Holding Company Systems—Reporting Forms			
	Ins 40.11	Instructions.	

Note: The annual registration requirements under this chapter first apply after December 31, 1993.

Subchapter I—Insurance Holding Company Standards

ins 40.01 Definitions. In this chapter, unless the context otherwise requires:

(1) "Acquiring person" means each person by whom or on whose behalf a merger or other acquisition of control is to be effected,

(2) "Affiliate" has the meaning provided under s. 600.03 (1), Stats.

(3) "Commissioner" means the commissioner of insurance of this state, the deputy commissioner, or the office of the commissioner of insurance of this state, as appropriate.

(4) "Control" has the meaning provided under s. 600.03 (13), Stats.

(5) "Executive officer" means chief executive officer, chief operating officer, chief financial officer, treasurer, secretary, controller, and any other individual performing functions corresponding to those performed by one of those positions under whatever title.

(6) "Insurance holding company system" means 2 or more persons who are affiliates, one or more of which is an insurer.

(7) "Insurer" has the meaning provided under s. 600.03 (27), Stats.

(8) "Policyholder surplus" means capital and surplus.

(9) "Security holder" means a person who owns any security of a person, including, but not limited to, common stock, preferred stock, debt obligations or any other security convertible into or evidencing the right to acquire stock or debt obligations.

(10) "State of domicile" means the state where an insurer is domiciled or, for an alien insurer, its port of entry state.

(11) "Subsidiary" of a person means a person which is controlled, directly or indirectly through one or more intermediaries, by the first person.

(12) "Ultimate controlling person" means a person who is not controlled by any other person.

(13) "Voting security" includes, but is not limited to, any security convertible into or evidencing a right to acquire a voting security.

History: Cr. Register, July, 1993, No. 451, eff. 8–1–93; correction in (12) made under s. 13.93 (2m) (b) 12., Stats., Register, June, 1997, No. 498.

ins 40.02 Acquisition of control of or merger with domestic insurer. (1) FILING REQUIREMENTS. (a) Except as provided under par. (b), no person, other than the insurer, may:

1. Make a tender offer for, request or invitation for, tenders of, or enter into any agreement to exchange securities for, seek to acquire, or acquire, in the open market or otherwise, any voting

Ins 40.12	Forms—incorporation by reference, summaries and omissions.
Ins 40.13	Forms-information unknown or unavailable and extension of time to
	fumish.
Ins 40.14	Forms-additional information and exhibits.
Ins 40.15	Registration form.
Ins 40.16	Alternative and consolidated registrations.
Ins 40.17	Transactions subject to prior notice—notice filing.
Ins 40.18	Extraordinary dividends and other distributions.
Ins 40.19	Consent to jurisdiction.

security of a domestic insurer if after the consummation of the offer, request, invitation, agreement or acquisition, the person would, directly or indirectly, or by conversion or by exercise of any right to acquire, be in control of the insurer; or

2. Enter into an agreement to merge with or otherwise to acquire or attempt to acquire control of a domestic insurer or any person having control of a domestic insurer.

(b) A person is not subject to par. (a), only if:

1. The person first files the information required under sub. (2) with the commissioner and sends a copy of the information to the domestic insurer; and

2. The offer, request, invitation, agreement or acquisition has been approved by the commissioner under ss. 611.72, 611.73, 612.21, 612.22, 613.72, or 614.73, Stats., and 617.21, Stats.

(c) For purposes of this section "domestic insurer" includes any person having control of a domestic insurer. This section does not apply to a person who is a securities broker holding, in the usual and customary securities broker's function, less than 20% of the voting securities of an insurer or of any person which controls an insurer.

(2) CONTENT OF STATEMENT. Except as provided under sub. (5), a person required to file under sub. (1) shall file the following information, using form A in the appendix to this chapter, in a sworn statement:

(a) For each acquiring person:

1. The acquiring person's name and address;

2. If the acquiring person is an individual, his or her principal occupation and all offices and positions held during the past 5 years, any conviction of crimes other than traffic violations not involving death or injury during the past 10 years and all relevant information regarding any occupational license or registration; and

3. If the acquiring person is not an individual, a report of the nature of its business operations during the past 5 years or for the lesser period that the acquiring person and any predecessors of the acquiring person have been in existence, if shorter, an informative description of the business intended to be done by the acquiring person and the acquiring person's subsidiaries, and a list of all individuals who are or who have been selected to become directors or executive officers of the acquiring person, or who perform or will perform functions similar to those positions. The list shall include for each individual the information required by subds. 1, and 2.

(b) The source, nature and amount of the consideration used or to be used in effecting the merger or other acquisition of control, a description of any transaction from which funds were or are to be obtained for that purpose, including any pledge of the insurer's stock, or the stock of any of its subsidiaries or affiliates which control the insurer, the criteria used in determining the nature and amount of consideration and the identity of persons furnishing the consideration. (c) Fully audited financial information as to the earnings and financial condition of each acquiring person for the preceding 5 fiscal years of each acquiring person or for the period the acquiring person and any predecessors of the acquiring person have been in existence, if shorter, and similar unaudited information as of a date not earlier than 90 days prior to the filing of the statement.

(d) Any plans or proposals which any acquiring person is considering to liquidate, to sell assets of, or to merge or consolidate the insurer or to make any other material change in the insurer's business or corporate structure or management.

(e) The number of shares of any security which each acquiring person proposes to acquire; 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 determined.

(f) The amount of each class of any security which is beneficially owned or concerning which there is a right to acquire beneficial ownership by any acquiring person.

(g) A full description of any contracts, arrangements or understandings with respect to any security in which any acquiring person 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 withholding of proxies. The description shall identify the persons with whom the contracts, arrangements or understandings have been entered into.

(h) A description of the purchase of any security of the entity to be acquired during the 12 calendar months preceding the filing of the statement by any acquiring person, including the dates of purchase, names of the purchasers and consideration paid or agreed to be paid.

(i) A description of any recommendations to purchase any security made during the 12 calendar months preceding the filing of the statement by any acquiring person, or by anyone at the suggestion of the acquiring person.

(j) Copies of all tender offers for, requests or invitations for, tenders of, exchange offers for, or agreements to acquire or exchange any securities, and, if distributed, of additional soliciting material relating to those offers, requests, invitations or agreements.

(k) The term of any agreement, contract or understanding made with or proposed to be made with any broker-dealer as to solicitation of securities for tender, and the amount of any fees, commissions or other compensation to be paid to broker-dealers relating to the solicitation.

(3) PARTNERS AND STOCKHOLDERS. If the person required to file under sub. (1) is a partnership, limited partnership, syndicate or other group, the commissioner may require that the information required under sub. (2) be given with respect to each partner of the partnership or limited partnership, each member of the syndicate or group, and each person who controls the partner or member. If any partner, member or person is a corporation or the person required to file under sub. (1) is a corporation, the commissioner may require that the information required under sub. (2) be given with respect to the corporation, each officer and director of the corporation, and each person who is directly or indirectly the beneficial owner of more than 10% of the outstanding voting securities of the corporation.

(4) MATERIAL CHANGES. A person required to file under sub. (1) shall file an amendment to the filing if any material change occurs in the facts set forth in a statement previously filed with the commissioner. The person shall include in the amendment a description of the change and copies of all documents and other material relevant to the change. The amendment shall be filed with the commissioner and sent to the insurer within 2 business days after the person learns of the change.

(5) ALTERNATIVE FILING MATERIALS. If any offer, request, invitation, agreement or acquisition is proposed to be made by

means of a registration statement under the Securities Act of 1933 or in circumstances requiring the disclosure of information under the Securities Exchange Act of 1934, or under a state law requiring similar registration or disclosure, the person required to file information under sub. (1) may utilize those documents to furnish the information required to be filed under sub. (2).

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

Ins 40.03 Registration. (1) REGISTRATION. (a) Except as provided under par. (b), every insurer which is authorized to do business in this state and which is a member of an insurance hold-ing company system, and every person having or attempting to acquire control of such an insurer, shall register with the commissioner.

(b) This subsection does not apply to a person, foreign insurer or alien insurer which is exempt from registration under s. 617.11 (2), Stats., unless otherwise ordered by the commissioner. An insurer may register on behalf of a person having or attempting to acquire control of the insurer or on behalf of an insurer which is an affiliate of the insurer. Lack of knowledge that an insurer has not registered on behalf of the person or affiliate or that the registration is incomplete or inaccurate is not a defense for the person or affiliate.

(2) TIME FOR FILING. Any person which is subject to registration under this section shall register within 15 days after it becomes subject to registration, and annually by June 1 of each subsequent year for the immediately preceding calendar year, unless the commissioner for good cause shown extends the time for registration, and then within the extended time.

(3) INFORMATION AND FORM REQUIRED. Every person subject to registration shall file the registration statement on the forms prescribed under s. Ins 40.15, and it shall contain the following information which is current on the date of filing:

(a) The capital structure, general financial condition, ownership and management of the insurer and any person having control of the insurer;

(b) The identity and relationship of every member of the insurance holding company system except affiliates whose total assets are less than the lesser of .5% of the total assets of the ultimate controlling person or \$10 million;

(c) The following agreements in force, and transactions currently outstanding or which have occurred during the immediately preceding calendar year between the insurer and its affiliates:

1. Loans, extensions of credit, other investments, or purchases, sales or exchanges of securities of the affiliates by the insurer or of the insurer by its affiliates;

2. Purchases, sales or exchange 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 agreements, exclusive agent agreements, service contracts and all cost-sharing arrangements;

6. Reinsurance agreements;

7. Dividends and other distributions to shareholders; and

8. Consolidated tax allocation agreements.

(d) Any pledge of the insurer's stock, including stock of any subsidiary or affiliate having control of the insurer, for a loan made to any member of the insurance holding company system;

(e) Other matters concerning transactions between registered insurers and any affiliates as may be included from time to time in any registration forms adopted or approved by the commissioner.

(4) SUMMARY OF REGISTRATION STATEMENT. All registration statements shall contain a summary on form C contained in the

appendix to this chapter outlining all items in the current registration statement representing changes from the prior registration statement.

(5) MATERIALITY. No information need be disclosed on the registration statement required under this section if the information is not material for the purposes of this section. Any transaction related to a management, exclusive agency or similar agreement or which is a service contract or cost-sharing arrangement is a material transaction. Any other transaction subject to sub. (3) is a material transaction if it involves or exposes to risk in a single transaction or group or series of related transactions an amount which is more than .5% of the insurer's admitted assets as of the 31st day of December of the immediately preceding calendar year, unless the commissioner by order provides otherwise.

(6) AFFILIATE TO PROVIDE INFORMATION. A person within an insurance holding company system which includes an insurer subject to registration shall provide to the insurer any information which is reasonably necessary to enable the insurer to comply with this chapter and ch. 617, Stats. The person shall provide complete and accurate information.

(7) CONSOLIDATED FILING. The commissioner may require or allow 2 or more insurers which are affiliates subject to registration to file a consolidated registration statement.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

Ins 40.04 Standards for transactions within a holding company system. (1) TRANSACTIONS WITHIN A HOLDING COMPANY SYSTEM. An insurer, or affiliate of an insurer, which is required to register under s. Ins 40.03 may not enter directly or indirectly into a transaction between the insurer and the affiliate unless the insurer and affiliate:

(a) Comply with s. 617.21 (1), Stats., and sub. (6);

(b) Expenses incurred and payment received for the transaction are allocated to the insurer in conformity with customary insurance accounting practices consistently applied; and

(c) The books, accounts and records of each party to the transaction clearly and accurately disclose the nature and details of the transaction including the accounting information which is necessary to support the reasonableness of the charges or fees to the respective parties.

(2) TRANSACTIONS REQUIRED TO BE REPORTED AND SUBJECT TO DISAPPROVAL. A domestic insurer, and a person attempting to acquire control of a domestic insurer, or an affiliate of a domestic insurer, which directly or indirectly is involved in or benefits from, a transaction, shall report, under s. 617.21 (2), Stats., each of the following transactions to the commissioner in writing at least 30 days before the domestic insurer enters into the transaction, unless the commissioner in writing approves a shorter period:

(a) Sales, purchases, exchanges, loans, extensions of credit, guarantees, or investments involving the domestic insurer and an affiliate or a person attempting to acquire control of the domestic insurer if the transactions are equal to or exceed the lesser of 2% of the domestic insurer's admitted assets or 10% of policyholder surplus as of the 31st day of December of the immediately preceding calendar year;

(b) Loans or extensions of credit or guarantees to any person who is not an affiliate, where the domestic insurer makes loans, extensions of credit or guarantees with the agreement or understanding that the proceeds of the transactions or benefit of the guarantees, in whole or in significant part, directly or indirectly, are to be used to make loans or extensions of credit to, to purchase assets of, or to make investments in, any affiliate of the domestic insurer making the loans, extensions of credit, or guarantee, or any person attempting to acquire control of the insurer, if the transactions are equal to or exceed the lesser of 2% of the domestic insurer's admitted assets or 10% of policyholder surplus as of the 31st day of December of the immediately preceding calendar year;

(c) Reinsurance agreements, or modifications to reinsurance agreements, which involve a domestic insurer and either an affiliate or a person attempting to acquire control of the domestic insurer in which the reinsurance premium or a change in the insurer's liabilities equals or exceeds 5% of the insurer's policyholder surplus, as of the 31st day of December of the immediately preceding calendar year, including, but not limited to, those agreements which may require as consideration the transfer of assets from an insurer to a nonaffiliate, if an agreement or understanding exists between the insurer and nonaffiliate that any portion of the assets will be transferred to one or more affiliates of the insurer;

(d) All management agreements, exclusive agency agreements, service contracts or cost-sharing arrangements which involve a domestic insurer and either an affiliate or a person attempting to acquire control of the domestic insurer;

(e) A transaction not in the ordinary course of business which involves a domestic insurer and either an affiliate of, or a person attempting to acquire control of, a domestic insurer and which involves or exposes to risk an amount equal to or exceeding the lesser of 2% of the domestic insurer's admitted assets or 10% of policyholder surplus as of the 31st day of December of the immediately preceding calendar year; and

(f) Any material transactions which the commissioner requires to be reported by order.

) ILLEGAL TRANSACTIONS NOT AUTHORIZED. This section does not authorize or permit any transaction which would be otherwise contrary to law.

(4) GROUP OR SERIES OF RELATED TRANSACTIONS. For the purpose of applying sub. (2), a group or series of related transactions shall be treated as if they are a single transaction.

(5) SUBTERFUGE PROHIBITED. A domestic insurer, person attempting to acquire control of a domestic insurer, person having control of a domestic insurer or affiliate of a domestic insurer may not enter into transactions which are part of a group or series of transactions if the purpose of those separate transactions is to attempt to avoid a threshold amount under this chapter.

(6) DISAPPROVAL. Transactions subject to reporting under sub. (2) may be disapproved by the commissioner under s. 617.21 (3), Stats. No person may enter into or assent to a transaction that is disapproved by the commissioner or which is subject to reporting under sub. (2) but not reported.

(7) INSURER MAY REPORT ON BEHALF OF AFFILIATE OR PERSON ATTEMPTING TO ACQUIRE CONTROL. A domestic insurer may file a report under sub. (2) on behalf of its affiliate or of the person attempting to acquire control of the insurer. Lack of knowledge that an insurer has not reported on behalf of the affiliate or person or that the report is incomplete or inaccurate is not a defense for the affiliate or person attempting to acquire control of the insurer. History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

Ins 40.05 Privileged information. The information required to be filed with the commissioner under s. Ins 40.02 is required under s. 601.42, Stats., and the commissioner may keep it confidential under s. 601.465, Stats.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

Subchapter II—Insurance Holding Company Systems—Reporting Forms

ins 40.11 Instructions. (1) GENERAL. Forms A, B, C, and D contained in the appendix to this chapter are intended to be guides in the preparation of the statements required by subch. I of this chapter. 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 are prepared in such a manner as to indicate clearly the scope and coverage of the items. All instructions, whether appearing under the items of the form or elsewhere therein, are to be omitted. Unless expressly provided otherwise,

if any item is inapplicable or the answer is in the negative, an appropriate statement to that effect shall be made.

(2) FILING FORMAT AND PROCEDURE. (a) One complete copy of each statement, including exhibits and all other papers and documents filed as a part of the statement, shall be filed with the commissioner. 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 15 days from receipt of the notice to file such form. At least one of the copies shall be manually signed in the manner prescribed on the form. Unsigned copies shall be conformed. If the signature of any person is affixed pursuant to a power of attorney or other similar authority, a copy of the power of attorney or other authority shall also be filed with the statement.

(b) Statements shall be prepared on paper 8 1/2x 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 shall be converted into United States currency.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

Ins 40.12 Forms—incorporation by reference, summaries and omissions. (1) INCORPORATION BY REFERENCE. Information required by any item of form A, form B or form D 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 or form D provided the 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 commissioner which were filed within 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 the material is to be incorporated by reference in answer to the item. Matter shall not be incorporated by reference in any case where the incorporation would render the statement incomplete, unclear or confusing.

(2) SUMMARY. 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 the statement, the summary or outline may incorporate by reference particular parts of any exhibit or document currently on file with the commissioner which was filed within 3 years and may be incorporated in its entirety by the reference. In any case where 2 or more documents required to be filed as exhibits are substantially identical in all material respects except as to the parties to the documents, the dates of execution, or other details, a copy of only one of the 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.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

Ins 40.13 Forms—information unknown or unavailable and extension of time to furnish. (1) UNKNOWN OR UNAVAILABLE INFORMATION, Information required to be submitted under this chapter need be given only insofar as it is known or reasonably available to the person filing the statement. If any required information is unknown or not reasonably available to

the person filing, either because obtaining it would involve unreasonable effort or expense, or because it rests peculiarly within the knowledge of another person who is not an affiliate of the person filing, the information may be omitted, subject to the following conditions:

(a) The person filing shall give the information on the subject as it possesses or can acquire without unreasonable effort or expense, together with the sources of the information; and

(b) The person filing shall include a statement either showing that unreasonable effort or expense would be involved or indicating the absence of any affiliation with the person within whose knowledge the information rests and stating the result of a request made to the person for the information.

(2) EXTENSION. If it is impractical to furnish any required information, document or report at the time it is required to be filed, the person required to file may file with the commissioner a separate document:

(a) Identifying the information, document or report in question;

(b) Stating why the filing at the time required is impractical; and

(c) Requesting an extension of time for filing the information, document or report to a specified date.

(3) TIME TO ALLOW. A request for extension shall be deemed granted unless the commissioner within 60 days after receipt of a complete request enters an order denying the request.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

Ins 40.14 Forms—additional information and exhibits. (1) SUPPLEMENTAL INFORMATION. In addition to the information expressly required to be included in form A, form B, form C and form D contained in the appendix to this chapter, the person required to file shall add the further material information, if any, which is necessary to make the information contained in the statements accompanying the forms not misleading. The person filing may also file such exhibits as it may desire in addition to those expressly required by the statement. Those exhibits shall be so marked as to indicate clearly the subject matters to which they refer.

(2) CHANGES. Changes to forms A, B, C or D shall be submitted as required under ss. Ins 40.02 (4), 40.04 (2) and 40.13 (2) and shall include on the top of the cover page the phrase: "Change No. to" and indicate the date of the change and not the date of the original filing,

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

Ins 40.15 Registration form. A person required to file a registration statement under this chapter shall furnish the required information on form B and on form C contained in the appendix to this chapter. 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.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

ins 40.16 Alternative and consolidated registrations. (1) FILING FOR AFFILIATE INSURER. If an authorized insurer files a registration statement on behalf of an insurer which is its affiliate and which is required to register under this chapter, the registration statement may include information which is not required by this chapter regarding any insurer in the insurance holding company system even if the 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, if:

(a) The statement or report contains substantially similar information required to be furnished on form B; and

(b) The filing insurer is the principal insurer in the insurance holding company system.

(2) PRINCIPAL INSURER STATEMENT. The question of whether the filing insurer is the principal insurer in the insurance holding company system is a question of fact. An insurer filing a registration statement or report in lieu of form B on behalf of an insurer which is its affiliate, shall set forth a brief statement of facts which will substantiate the filing insurer's claim that it, in fact, is the principal insurer in the insurance holding company system.

(3) UNAUTHORIZED INSURER. With the prior approval of the commissioner, an unauthorized insurer may follow any of the procedures which could be done by an authorized insurer under sub. (1).

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

Ins 40.17 Transactions subject to prior noticenotice filing. A person required to give notice of a proposed transaction under this chapter shall furnish the required information on form D.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

Ins 40.18 Extraordinary dividends and other distributions. Requests for approval of extraordinary dividends or any other extraordinary distribution to shareholders shall include the following:

(1) The amount of the proposed dividend;

(2) The date established for payment of the dividend;

(3) A statement as to whether the dividend is to be in cash or other property and, if in property, a description of the property, its cost, and its fair market value together with an explanation of the basis for valuation;

(4) A copy of the calculations determining that the proposed dividend is extraordinary. The calculations shall include the following information:

(a) The amounts, dates and form of payment of all dividends or distributions, including regular dividends but excluding distributions of the insurer's own securities, paid within the period of 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 previous calendar year;

(b) Policyholder surplus as of the 31st day of December of the immediately preceding calendar year;

(c) If the insurer is a life insurer, the net income less realized capital gains for the previous calendar year;

(d) If the insurer is not a life insurer, the net income less realized capital gains for the previous calendar year and the 2 calendar years preceding that calendar year; and

(e) If the insurer is not a life insurer, the dividends paid to stockholders excluding distributions of the insurer's own securities in the preceding 3 calendar years.

(5) A balance sheet and statement of income for the period intervening from the last annual statement filed with the commissioner and the end of the month preceding the month in which the request for dividend approval is submitted.

(6) A brief statement as to the effect of the proposed dividend upon the insurer's policyholder surplus and the reasonableness of policyholder surplus in relation to the insurer's outstanding liabilities and the adequacy of policyholder surplus relative to the insurer's financial needs.

History: Cr. Register, July, 1993, No. 451, eff. 8-1-93.

Ins 40.19 Consent to jurisdiction. Any person required to file consent to jurisdiction under s. 617.11 (5), Stats., shall do so using form E contained in the appendix to this chapter. History: Cr. Register, July, 1993, No. 451, cff. 8–1–93.