

**521A.4 Registration of insurers — enterprise risk report.**

1. *Registration.* An insurer which is authorized to do business in this state and which is a member of an insurance holding company system shall register with the commissioner, except a foreign insurer subject to registration requirements and standards which are substantially similar to those contained in [this section](#) and [section 521A.5, subsection 1](#), paragraph “a”, and are adopted by statute or regulation in the jurisdiction of its domicile. The insurer shall also file a copy of the summary of its registration statement as required by [subsection 4](#) in each state in which that insurer is authorized to do business if requested to do so by the commissioner of that state. An insurer which is subject to registration under [this section](#) shall register within fifteen days after it becomes subject to registration and annually thereafter by March 31 of each year for the previous calendar year unless the commissioner for good cause shown extends the time for registration, and then within the extended time. The commissioner may require any authorized insurer which is a member of a holding company system which is not subject to registration under [this section](#) to furnish a copy of the registration statement or other information filed by the insurance company with the insurance regulatory authority of the company’s domiciliary jurisdiction.

2. *Information and form required.* Every insurer subject to registration shall file a registration statement on a form prescribed by the commissioner, which may be a form provided by the national association of insurance commissioners, which shall contain current information about:

a. The capital structure, general financial condition, ownership and management of the insurer and any person controlling the insurer.

b. The identity and relationship of every member of the insurance holding company system.

c. The following agreements in force, relationships subsisting, and transactions currently outstanding or which have occurred during the last calendar year between the insurer and its affiliates:

(1) Loans, 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 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, other than cost allocation arrangements based upon generally accepted accounting principles.

(6) Reinsurance agreements.

(7) Dividends and other distributions to shareholders.

(8) Consolidated tax allocation agreements.

d. A pledge of the insurer’s stock, including stock of a subsidiary or controlling affiliate, for a loan made to a member of the insurance holding company system.

e. If requested by the commissioner, the insurer shall include financial statements of or within an insurance holding company system, including all affiliates. Financial statements may include but are not limited to annual audited financial statements filed with the United States securities and exchange commission pursuant to the federal Securities Act of 1933, as amended, or the federal Securities Exchange Act of 1934, as amended. An insurer required to file financial statements pursuant to this paragraph may satisfy the request by providing the commissioner with the most recently filed financial statements of the parent corporation that have been filed with the United States securities and exchange commission.

f. Statements that the insurer’s board of directors oversees corporate governance and internal controls and that the insurer’s officers or senior management have approved, implemented, and continue to maintain and monitor corporate governance and internal control procedures.

g. 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.

*h.* Any other information required by the commissioner by rule or by regulation.

3. *Materiality.* Information need not be disclosed on the registration statement filed pursuant to [subsection 2](#) if the information is not material for the purposes of [subsections 1 through 12](#). Unless the commissioner by rule or order provides otherwise, sales, purchases, exchanges, loans or extensions of credit, or investments or guarantees involving one-half of one percent or less of an insurer's admitted assets as of the next preceding December 31, are not material for purposes of [subsections 1 through 12](#).

4. *Reporting of dividends to shareholders.* Subject to [section 521A.5, subsection 3](#), a registered insurer shall report to the commissioner all dividends and other distributions to shareholders within fifteen days following the declaration of the dividends or distributions.

5. *Summary of registration statement.* All registration statements shall contain a summary outlining all items in the current registration statement representing changes from the next preceding registration statement.

6. *Information of insurers.* Any person within an insurance holding company system subject to registration is required to provide complete and accurate information to an insurer if the information is reasonably necessary to enable the insurer to comply with [this chapter](#).

7. *Termination of registration.* The commissioner shall terminate the registration of any insurer which demonstrates that it no longer is a member of an insurance holding company system.

8. *Consolidated filing.* The commissioner may require or allow two or more affiliated insurers subject to registration hereunder to file a consolidated registration statement or consolidated reports amending their consolidated registration statement or their individual registration statements.

9. *Alternative registration.* The commissioner may allow an insurer which is authorized to do business in this state and which is part of an insurance holding company system to register on behalf of any affiliated insurer which is required to register under [subsection 1 of this section](#) and to file all information and material required to be filed under [this section](#).

10. *Exemptions.* The provisions of [this section](#) shall not apply to any insurer, information, or transaction if and to the extent that the commissioner by rule, regulation, or order shall exempt the same from the provisions of [this section](#).

11. *Disclaimer.* Any person may file with the commissioner a disclaimer of affiliation with any authorized insurer or such a disclaimer may be filed by such insurer or any member of an insurance holding company system. The disclaimer shall fully disclose all material relationships and basis for affiliation between such person and such insurer as well as the basis for disclaiming such affiliation. A disclaimer of affiliation shall be deemed to have been granted unless the commissioner, within thirty days following receipt of a complete disclaimer, notifies the filing party that the disclaimer is disallowed. In the event of disallowance, the disclaiming party may request an administrative hearing, which shall be granted. The disclaiming party shall be relieved of its duty to register under [this section](#) if approval of the disclaimer has been granted by the commissioner, or if the disclaimer is deemed to have been granted.

12. *Enterprise risk report.* The ultimate controlling person of every insurer subject to registration shall also file an annual enterprise risk report. The report shall, to the best of the ultimate controlling person's knowledge and belief, identify the material risks within the insurance holding company system that could pose enterprise risk to the insurer. The report shall be filed with the lead state commissioner of the insurance holding company system as determined by the procedures within the financial analysis handbook adopted by the NAIC.

13. *Group capital calculation.*

*a.* The ultimate controlling person of every insurer subject to registration shall concurrently file with the registration an annual group capital calculation. The calculation must be completed in accordance with the group capital calculation instructions, and must be filed with the lead state commissioner of the insurance holding company system as determined by the procedures in the most recent financial analysis handbook published by the NAIC. As permitted by the group capital calculation instructions, the lead state

commissioner may allow a controlling person, other than the ultimate controlling person, to file the group capital calculation. The following insurance holding company systems are exempt from filing the group capital calculation:

(1) An insurance holding company system that has only one insurer within its holding company structure, that only writes business and is only licensed in its domestic state, and that assumes no business from any other insurer.

(2) An insurance holding company system that is required to perform a group capital calculation specified by the federal reserve board, if the board is able to share the calculation with the lead state commissioner pursuant to the terms of applicable information sharing agreements. The exemption shall not apply if the board does not share the calculation with the lead state commissioner.

(3) An insurance holding company system whose non-United States group-wide supervisor is located within a reciprocal jurisdiction that recognizes the United States' state regulatory approach to group supervision and group capital.

(4) An insurance holding company system that meets all of the following criteria:

(a) The system provides information to a lead state that meets the requirements for accreditation under the NAIC financial standards and accreditation program, either directly or indirectly through the group-wide supervisor who has determined such information is satisfactory to allow the lead state to comply with the group supervision approach as detailed in the most recent financial analysis handbook published by the NAIC.

(b) The system's non-United States' group-wide supervisor that is not in a reciprocal jurisdiction recognizes and accepts, as established by the commissioner by rule, the group capital calculation as the world-wide group capital assessment for United States' insurance groups that operate in that jurisdiction.

b. Notwithstanding paragraph "a", subparagraphs (3) and (4), a lead state commissioner, after any necessary consultation with appropriate supervisors or officials, shall require the United States' operations of any non-United States-based insurance holding company system to file a group capital calculation if the lead state commissioner deems it appropriate for prudential oversight and solvency monitoring purposes, or for ensuring the competitiveness of the insurance marketplace.

c. Notwithstanding paragraph "a", the lead state commissioner shall have the discretion to exempt the ultimate controlling person of an insurer subject to registration from the annual group capital calculation filing requirement, or to allow a limited group capital filing or report in accordance with criteria as established by the commissioner by rule.

d. If the lead state commissioner determines that an insurance holding company system no longer satisfies the criteria for exemption under paragraph "a", subparagraphs (1) through (4), the insurance holding company system shall file the group capital calculation at the next annual filing date, unless for reasonable grounds shown is granted an extension by the lead state commissioner.

#### 14. *Liquidity stress test.*

a. The ultimate controlling person of every insurer subject to registration, and that meets the scope criteria, shall file the results of a liquidity stress test for each data year that the insurer is subject to the liquidity stress test framework. The filing shall be made to the lead state insurance commissioner of the insurance holding company system as determined by the procedures in the applicable financial analysis handbook published by the NAIC.

b. Any change to the NAIC liquidity stress test framework, or to the data year for which the scope criteria is to be measured, shall be effective on January 1 of the calendar year immediately following the calendar year that the change to the liquidity stress test framework or the data year is adopted by the NAIC.

c. An insurer that meets at least one threshold of the scope criteria shall be subject to the liquidity stress test framework for the specified data year unless the lead state insurance commissioner, in consultation with the NAIC financial stability task force or its successor, determines that the insurer shall be exempt from the liquidity stress test framework for that data year. An insurer that does not meet at least one threshold of the scope criteria for a specified data year may be subject to the liquidity stress test framework if the lead state insurance commissioner, in consultation with the NAIC financial stability task force or its

successor, determines that the insurer shall be subject to the liquidity stress test framework for that data year.

d. The performance of, and filing of the results from, a specific year's liquidity stress test shall comply with all the following:

(1) The liquidity stress test framework instructions and reporting template applicable to the corresponding data year.

(2) The determinations made by the lead state insurance commissioner, in conjunction with the NAIC's financial stability task force or its successor, that are provided within the liquidity stress test framework.

15. *Violations.* The failure to file a registration statement or a summary of the registration statement or an enterprise risk report required by [this section](#) within the time specified for the filing is a violation of [this section](#).

[C71, 73, 75, 77, 79, 81, §521A.4]

86 Acts, ch 1102, §12 – 18; 87 Acts, ch 115, §66; 91 Acts, ch 26, §51 – 53; 2014 Acts, ch 1018, §10 – 13; 2022 Acts, ch 1050, §4, 5

Referred to in §508.33A, 521A.1, 521A.3, 521A.5, 521A.6, 521A.6A, 521A.6B, 521A.7, 521A.7A, 521A.10, 521H.3

Subsections 3 and 12 amended

NEW subsections 13 and 14 and former subsection 13 renumbered as 15