

191—45.9(521A) Transactions subject to prior notice—notice filing.

45.9(1) An insurer required to give notice of a proposed transaction pursuant to Iowa Code section 521A.5 shall furnish the required information on Form D, hereby made a part of these rules.

45.9(2) Agreements for cost-sharing services and management services shall, at a minimum and as applicable:

- a.* Identify the person providing services and the nature of such services;
- b.* Set forth the methods to allocate costs;
- c.* Require timely settlement, not less frequently than on a quarterly basis, and compliance with the requirements in the Accounting Practices and Procedures Manual;
- d.* Prohibit advancement of funds by the insurer to the affiliate except to pay for services defined in the agreement;
- e.* State that the insurer will maintain oversight for functions provided to the insurer by the affiliate and that the insurer will monitor services annually for quality assurance;
- f.* Define books and records of the insurer to include all books and records developed or maintained under or related to the agreement;
- g.* Specify that all books and records of the insurer are and shall remain the property of the insurer and are subject to control of the insurer;
- h.* State that all funds and invested assets of the insurer are the exclusive property of the insurer, held for the benefit of the insurer, and subject to the control of the insurer;
- i.* Include standards for termination of the agreement with and without cause;
- j.* Include provisions for indemnification of the insurer in the event of gross negligence or willful misconduct on the part of the affiliate providing the services;
- k.* Specify that if the insurer is placed in receivership or seized by the commissioner under the state receivership Act:
 - (1) All of the rights of the insurer under the agreement extend to the receiver or the commissioner; and
 - (2) All books and records will immediately be made available to the receiver or the commissioner and shall be turned over to the receiver or the commissioner immediately upon the receiver's or the commissioner's request;
- l.* Specify that the affiliate has no automatic right to terminate the agreement if the insurer is placed in receivership pursuant to Iowa Code chapter 507C; and
- m.* Specify that the affiliate will continue to maintain any systems, programs, or other infrastructure notwithstanding a seizure by the commissioner under Iowa Code chapter 507C, and will make them available to the receiver for so long as the affiliate continues to receive timely payment for services rendered.

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