

**STATE OF NEW YORK
INSURANCE DEPARTMENT**

NOTICE OF A TRANSACTION REPORT

By

Name of Insurer

NAIC # _____

Date: _____

Name, title, address, telephone number and e-mail address of individual to whom notices and correspondence concerning this report should be addressed:

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, trust, etc.);
- (e) a brief description of the nature of the parties' business operations;
- (f) relationship, if any, between other parties to the transaction and the insurer filing the report, including any ownership or debtor/creditor interest by any other parties to the transaction in the insurer filing the report, or by the insurer filing the report in the affiliated parties; and
- (g) the name(s) of the affiliate(s) that will receive, in whole or in substantial part, the proceeds of the transaction, when the transaction is with a non-affiliate.

DESCRIPTION OF THE TRANSACTION

For each transaction for which this report is being made, please furnish:

- (a) a statement of the nature of the transaction; and
- (b) the proposed effective date of the transaction.

ACQUISITION OF CONTROL

Furnish a brief description of how control is to be acquired, including the nature, source and amount of funds or other considerations used or to be used in effecting the 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, then furnish:

- (a) a brief description of the transaction;
- (b) the names of the parties to the transaction;
- (c) the relationship, if any, between the borrower and the lender; and
- (d) the amounts borrowed or to be borrowed.

Further, describe any plans or proposals to:

- (a) declare an extraordinary dividend;
- (b) liquidate the insurer;
- (c) sell the insurer's assets to, or merge it with, any person or persons; and
- (d) make any other material change to the insurer's business operations or corporate structure or management.

SALES, PURCHASES, EXCHANGES, LOANS, EXTENSIONS OF CREDIT, GUARANTEES/SURETIES OR INVESTMENTS

Furnish a brief description of:

- (a) the amount and source of funds, securities, property or other consideration for the sale, purchase, exchange, loan, extension of credit, guarantee, surety or investment;
- (b) any provision that exists for purchase by the insurer filing the report, any party to the transaction, or any affiliate of the insurer filing the report;

(c) the terms of any securities being received;

(d) any other agreements relating to the transaction, such as contracts or agreements for services, consulting agreements and the like;

(e) the consideration, its cost and fair market value, and an explanation of the basis for evaluation, if the transaction involves other than cash;

(f) the maximum amount that the insurer will be obligated to make available under the loan, extension of credit, guarantee or surety;

(g) the date on which the credit, guarantee or surety will terminate;

(h) any provisions for the accrual or deferral of interest, if the transaction involves a loan, extension of credit, guarantee or surety;

(i) the time period during which the investment, guarantee, surety or other agreement will remain in effect;

(j) any provisions for extensions or renewals of the investment, guarantee, surety or other agreement; and

(k) the effect of the transaction upon the insurer's surplus, if the transaction involves an investment, guarantee, surety or other agreement.

LOANS 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, then furnish a brief description of the:

(a) 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 purchase the assets of, or make investments in, any affiliate of the insurer making such loans or extensions of credit;

(b) manner in which the proceeds are to be used to loan or extend credit to, purchase assets of, or make investments in, any affiliate;

(c) amount and source of funds, securities, property or other consideration for the loan or extension of credit;

(d) cost and fair market value, together with an explanation of the basis for evaluation, if the transaction is one involving consideration other than cash; and

(e) effect of the transaction upon the insurer's surplus.

A report need not be made if the loan or extension of credit is one that is less than:

(a) the lesser of 3% of the insurer's admitted assets or 25% of surplus to policyholders as of December 31st next preceding, with regard to property/casualty insurers;

(b) the lesser of 3% of the insurer's admitted assets or 25% of capital and surplus as of December 31st next preceding, with regard to accident and health insurers; or

(c) 3% of the insurer's admitted assets as of December 31st next preceding, with regard to life insurers.

REINSURANCE

If the transaction is a reinsurance agreement or modification thereto, then furnish a brief description of the:

(a) known and/or estimated amount of liability to be ceded and/or assumed in each calendar year;

(b) period of time during which the agreement will be in effect;

(c) consideration involved in the transaction; and

(d) effect of the transaction upon the insurer's surplus.

Also, specify 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.

A report need not be made 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 5% of a property/casualty or life insurer's surplus to policyholders, or 5% of an accident and health insurer's capital and surplus, as of December 31st next preceding.

MANAGEMENT AGREEMENTS, SERVICE AGREEMENTS AND COST-SHARING ARRANGEMENTS

For management and service agreements, furnish a brief description of the:

(a) managerial responsibilities or services to be performed;

(b) agreement, including a statement of its duration;

(c) basis for compensation; and

(d) terms under which the payment or compensation is to be made.

For cost-sharing arrangements, furnish a brief description of:

- (a) the purpose of the agreement;
- (b) the period of time during which the agreement is effective;
- (c) each party's expenses or costs covered by the agreement; and
- (d) the accounting basis to be used in calculating each party's costs under the agreement.

DIRECTIONS FOR E-MAILING THIS NOTICE OF TRANSACTION REPORT TO THE NEW YORK STATE INSURANCE DEPARTMENT.

Once completed, an authorized insurer's representative should e-mail this report as a word attachment to the appropriate e-mail address set forth below. The e-mail should include the name, address, telephone number and e-mail address of a contact person who can provide further detailed information regarding the transaction if necessary.

Life Insurers: swong1@ins.state.ny.us

Property/Casualty Insurers: jbrazeno@ins.state.ny.us

Accident and Health Insurers: clovejoy@ins.state.ny.us