



**SOUTH DAKOTA DIVISION OF INSURANCE**  
**445 EAST CAPITOL AVENUE, 1<sup>ST</sup> FLOOR**  
**PIERRE SD 57501**  
**PHONE: 605-773-3563 FAX: 605-773-5369**  
<http://dlr.sd.gov/insurance>

**APPLICATION: ACCREDITED OR QUALIFIED REINSURER STATUS**

This document is a summary of the requirements for gaining “Accredited” or “Qualified” reinsurer status in South Dakota. The Surplus level and Domicile of a company determines the application form appropriate for a specific company.

**“Accredited Reinsurer”** : Essentially, a company licensed in a State and having a Surplus of at least one million dollars will be subject to SDCL 58-14-9.

**“Qualified Reinsurer”** : Companies not meeting both requirements of SDCL 58-14-9 are subject to review under SDCL 58-14-10 or SDCL 58-14-11. SDCL 58-14-11 applies to a company required to maintain a “Trust” deposit in the United States.

**AR-1 - Certificate of Assuming Insurer** : **Must** be filed by any company wishing to gain “Accredited” or “Qualified” Reinsurer status in South Dakota.

**The items listed below must be filed with the Division of Insurance once “Accredited” or “Qualified” reinsurer status has been authorized by the Director of Insurance.**

**Annual:** Annual Statement and Audited Financial Statement

**Periodic:** Association Examination Report

a. As available from state of domicile.

b. Generally 3 to 5 year interval between examination

Trust Account Quarterly Statement of Accounts.

**Other Items of Interest**

1. Accredited or Qualified status is retained unless notified otherwise, in writing, by this office. Annual renewal is not required.
2. **No fee** is charged for original issue or continuation of “Accredited” or “Qualified” reinsurer status in South Dakota.
3. A copy of the **application form and the AR-1** as discussed above are enclosed.

Please contact me if you have any questions regarding these procedures.

Phone: (605) 773-4763.

Charlene Squires Keller, Assistant to the Assistant Director-Financial

**TO BE COMPLETED BY REINSURER**

**SOUTH DAKOTA  
APPLICATION FOR ACCREDITATION AS REINSURER  
(SDCL 58-14-9)**

Company Name \_\_\_\_\_ Company NAIC  
# \_\_\_\_\_

I, the undersigned, do hereby have the authority to sign for and bind  
\_\_\_\_\_ (company name) which  
desires recognition as an accredited reinsurer and in order to qualify swear and attest to the  
following:

- 1) The company agrees to submit to this state's jurisdiction and this state's authority to examine its books and records.
- 2) It is domiciled and licensed to transact insurance or reinsurance in the state of \_\_\_\_\_.
- 3) It shall file by March 1 of each year a copy of its annual statement.
- 4) It shall file the most recent audited financial statement and Association Examination Report as such reports become available.
- 5) The company's current surplus as regards policyholders is \_\_\_\_\_.
- 6) If there are any changes in the circumstances or information in sections 1-5 above, the company will, within fifteen (15) days of that change, notify the Division of the change.
- 7) The company understands that the filing of any false or misleading or incomplete information may cause the application to be denied or approval withdrawn and may result in administrative action.
- 8) Attached to this application are copies of the most recent annual statement, audited financial statement, and the most recent examination report.
- 9) The company understands the duties imposed on it by SDCL Chapter 58-14 and agrees to comply with them.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Signature \_\_\_\_\_

Name (typed) \_\_\_\_\_

Title \_\_\_\_\_

**TO BE COMPLETED BY REINSURER**

**SOUTH DAKOTA  
QUALIFIED REINSURER APPLICATION  
(SDCL 58-14-10)**

Company Name \_\_\_\_\_ Company NAIC  
# \_\_\_\_\_

I, the undersigned, do hereby have the authority to sign for and bind  
\_\_\_\_\_ (company name) which  
desires recognition as a qualified reinsurer and in order to qualify swear and attest to the  
following:

- 1) The company agrees to submit to this state's jurisdiction and this state's authority to examine its books and records.
- 2) It is domiciled and licensed to transact insurance or reinsurance in the state of \_\_\_\_\_.
- 3) The company's surplus as regards policyholders is at least \$20,000,000.
- 4) It shall file the most recent Association Examination Report, as such report becomes available.
- 5) If there are any changes in the circumstances or information in sections 1-4 above, the company will, within fifteen (15) days of that change, notify the Division of the change.
- 6) The company understands that the filing of any false or misleading or incomplete information may cause the application to be denied or approval withdrawn and may result in administrative action.
- 7) Attached to this application is a copy of the most recent examination report.
- 8) The company understands the duties imposed on it by SDCL Chapter 58-14 and agrees to comply with them.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Signature \_\_\_\_\_

Name (typed) \_\_\_\_\_

Title \_\_\_\_\_

**TO BE COMPLETED BY REINSURER**

**SOUTH DAKOTA  
APPLICATION FOR SINGLE ASSUMING INSURER  
(SDCL 58-14-11)**

Company name \_\_\_\_\_ Company NAIC# \_\_\_\_\_

If the space provided is not sufficient for answering a question, attach a separate sheet. On the form indicate "answer attached." On the attached sheet set forth the number of the question and answer.

I, the undersigned, do hereby have the authority to sign for and bind \_\_\_\_\_ (company) which desires recognition as a qualified reinsurer and in order to qualify do hereby swear and attest to:

- 1) The company agrees to submit to this state's jurisdiction and authority to examine its books and records and to pay for the examination.
- 2) It is domiciled and licensed to transact insurance and/or reinsurance in the state/county of \_\_\_\_\_.
- 3) \$ \_\_\_\_\_ is the company's current trust account balance, which is equal to its liabilities attributable to business written in the United States, plus and excess of \$20,000,000.00 (U.S. \$). The company agrees to maintain such trust account balance at all times as a requirement of the eligibility to write reinsurance in South Dakota.

The trust account is held at \_\_\_\_\_ (trust co. name and address), which understands its obligation to file the statement required by SDCL 58-14-13, annually, on or before February 28.

- 4) The company shall annually file with the director a report, certified by its domiciliary regulatory jurisdiction, which contains substantially the same information as required by the NAIC annual statement, so the sufficiency of the trust fund may be verified.
- 5) The trust fund agreement is substantially the same as the format, dated March, 1993, adopted by the NAIC and essentially complies with the requirements of SDCL 58-14-13. The company agrees to notify the Division of any change to the trust agreement within 90 days of the change.
- 6) Is retrocession required by your domiciliary state or alien jurisdiction? \_\_\_\_\_yes \_\_\_\_\_no
- 7) The company will notify the Division of any material change to items 1-6 above within fifteen (15) days of that change. (Material - Changes which result in greater than or equal to 3% change in net admitted assets or a substantive change in methods of doing business.)
- 8) A copy of the most recent audited financial statement, (with U.S. Dollar (\$) Conversion statement) is enclosed. (If this is not available please indicate \_\_\_\_\_ N/A.)
- 9) The company understands that the filing of any false or misleading or incomplete information may cause the application to be denied or approval withdrawn and may result in administrative action.
- 10) The company understands the duties imposed on it by SDCL Chapter 58-14 and agrees to comply with them.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Signature \_\_\_\_\_

Name (typed) \_\_\_\_\_

Title \_\_\_\_\_

SOUTH DAKOTA DIVISION OF INSURANCE

AR-1

CERTIFICATE OF ASSUMING INSURER

I, \_\_\_\_\_ of \_\_\_\_\_,
(Officer Name) (Title) (Company Name)

the "Assuming Insurer" under reinsurance agreement(s) with one or more insurers domiciled in SOUTH DAKOTA, hereby certify the "Assuming Insurer":

- 1. Submits to the jurisdiction of any court of competent jurisdiction in the state of SOUTH DAKOTA for the adjudication of any issues out of the reinsurance agreement(s), agrees to comply with all requirements necessary to give such court jurisdiction, and will abide by the final decision of such court or any appellate court in the event of an appeal.
2. Designates the SOUTH DAKOTA DIRECTOR OF INSURANCE as its lawful attorney upon whom may be served any lawful process if any action, suit or proceeding arising out of the reinsurance agreement(s) instituted by or on behalf of the ceding insurer.
3. Submits to the authority of the SOUTH DAKOTA DIRECTOR OF INSURANCE to examine its books and records and agrees to bear the expense of any such examination.
4. Submits with this document a current list of insurers domiciled in SOUTH DAKOTA reinsured by "Assuming Insurer" and undertakes to submit additions to or deletions from the list to the SOUTH DAKOTA DIVISION OF INSURANCE within 45 days of the end of each calendar quarter.

Dated: \_\_\_\_\_ (Company Name)

BY: \_\_\_\_\_ (Officer Name)
\_\_\_\_\_ (Title)