



## Ohio Administrative Code

### Rule 3901-3-01 Requirement for approval of the proposed acquisition of control of or merger with a domestic insurer.

Effective: November 14, 2021

---

#### (A) Purpose

The purpose of this rule is to establish the content of and form to be used in the application for approval of the proposed transaction with an insurer domiciled in this state. Section 3901.321 of the Revised Code requires any person who wishes to engage in any transaction described in division (B)(1) of section 3901.321 of the Revised Code to file with the superintendent an information statement (hereinafter called "form A").

#### (B) Authority

This rule is promulgated pursuant to the authority vested in the superintendent under sections 3901.321 and 3901.041 of the Revised Code.

#### (C) Additional information

In addition to the information expressly required to be included in form A, there shall be added such further material information, if any, as may be necessary to make the information contained therein not misleading. The superintendent reserves the right to request other information or documentation that in the superintendent's sole discretion is deemed necessary or appropriate for the protection of policyholders of the domestic insurer or in the public interest.

#### (D) Exhibits

Applicants may file supplemental exhibits as desired in addition to those expressly required by form A. Exhibits shall clearly indicate the subject matter to which they refer.

#### (E) Amendments or modifications



Applicants shall promptly advise the superintendent of any changes in the information furnished on form A arising subsequent to the date upon which the information was furnished.

(F) Definitions

Terms found in this regulation are used as defined in the Insurance Holding Company Systems Regulatory Act, sections 3901.32 to 3901.37 of the Revised Code, and rule 3901-3-02 of the Administrative Code.

(G) General requirements

Applicants must file the information statement in the exact form as set forth in paragraph (H) of this rule. The statement shall contain the numbers and captions of all items. If the answer to any item is in the negative, an appropriate statement to that effect shall be made. The information statement, including exhibits and all other documents filed as a part thereof, shall be filed with the superintendent in physical or electronic form. The information statement, including exhibits and all other documents filed as a part thereof shall be clear, easily readable and in the English language with monetary values stated in United States currency. If any exhibit or document filed 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.

(H) Information to be included in form A.

"Form A

Statement regarding the acquisition of control of or merger with a domestic insurer

---

Name of domestic insurer

by



---

---

---

Name and address of acquiring person

Filed with the insurance department of

---

(State of domicile of insurer being acquired)

Dated: \_\_\_\_\_, 20\_\_\_\_

Name, title, address and telephone number of individual to whom notices and correspondence concerning this statement should be addressed:

---

---

---

---

Item 1. Insurer and method of acquisition

State the name and address of the domestic insurer to which this application relates and a brief description of how control is to be acquired.

Item 2. Identity and background of the applicant



(A) State the name and address of the applicant seeking to acquire control of the insurer.

(B) If the applicant is not an individual, state the nature of its business operations for the past five years or for such lesser period as such person and any predecessors thereof shall have been in existence. Briefly describe the business intended to be done by the applicant and the applicant's subsidiaries.

(C) Furnish a chart or listing clearly presenting the identities of and inter-relationships among the applicant and all affiliates of the applicant. Indicate in such chart or listing the percentage of voting securities of each such person which is owned or controlled by the applicant or by any other such person. If control of any person is maintained other than by the ownership or control of voting securities, indicate the basis of such control. As to each person specified in such chart or listing indicate the type of organization (e.g., corporation, trust, partnership) and the state or other jurisdiction of domicile. If court proceedings involving a reorganization or liquidation are pending with respect to any such person, indicate which person, and set forth the title of the court, nature of proceedings and the date when commenced.

### Item 3. Identity and background of individuals associated with the applicant

(1) Identify the applicant if (s)he is an individual or, if the applicant is not an individual, all persons who are directors, executive officers or owners of ten percent or more of the voting securities of the applicant.

(2) Each individual applicant or all persons who are directors, executive officers or owners of ten percent or more of the voting securities of the applicant shall complete a biographical affidavit and authority for release of information that is prescribed for such use by the superintendent.

### Item 4. Nature, source and amount of consideration

(A) Describe the nature, source and amount of funds or other consideration used or to be used in effecting the proposed transaction. If any part of the consideration is or is to be borrowed or otherwise obtained for the purpose of acquiring, holding or trading securities, furnish a description of



the transaction, the names of the parties thereto, the relationship, if any (whether direct or indirect), between the borrower and the lender, the amounts borrowed or to be borrowed, and copies of all agreements, understanding, promissory notes and security arrangements relating thereto. If the stock or any asset of the domestic insurer is to be pledged or hypothecated in any way, so describe and provide a copy of the agreement or arrangement.

(B) Explain the criteria used in determining the nature and amount of such consideration.

#### Item 5. Future plans of insurer

(1) Describe any contemplated or actual plans or proposals which the applicant may have to: cause the insurer to declare dividends, liquidate or dissolve the insurer, sell any asset of the insurer, enter into any rental, leasing, service or financial, or other arrangements with the insurer, or merge/reorganize the insurer with any person or persons. Provide terms and conditions of all applicable arrangements to the transaction.

(2) Provide a plan of operation for the domestic insurer for three years following consummation of the proposed transaction including: type of business to be written, amount of anticipated premiums, investment policy, marketing plans, relocation of home office or of corporate records and changes in reinsurance or reinsurers.

(3) Describe all changes planned to be made after consummation of the proposed transaction concerning the board of directors or executive officers of the domestic insurer and those of the organization which will succeed the latter as a result of the proposed transaction. Describe the nature, extent and amount of any commitments to or agreements or understandings with the present officers and directors of the domestic insurer. Attach copies of all contemplated or actual contracts, commitments, agreements or understandings for: employment, consultation, advice, management or services.

(4) Provide pro forma balance sheets and income statements of the insurer prepared in accordance with statutory accounting principles, for three years following consummation of the proposed transaction. If any part of the consideration for the proposed transaction involves borrowed funds, describe debt service in detail. If any part of the consideration is to be obtained from or financed by



an affiliate of the applicant, identify the source of funds and describe the method of distribution.

(5) If the insurer will be a member of an insurance holding company system following consummation of the proposed transaction, provide the following:

(a) A pro forma balance sheet and income statement showing the effect of the proposed transaction, prepared on a consolidated and applicant-only basis.

(b) If the applicant is an insurer actively engaged in the business of insurance, the statements shall be prepared in accordance with statutory accounting principles.

(c) If the applicant is not an insurer actively engaged in the business of insurance, the statements shall be prepared in accordance with generally accepted accounting principles.

(6) State the amount of premiums written by the domestic insurer and all affiliates for each line of business transacted in Ohio, as of the thirty-first day of December next preceding. State the amount of premiums written by the applicant and all affiliates for each line of business transacted in Ohio, as of the thirty-first day of December next preceding.

#### Item 6. Voting securities to be acquired

State the number of shares of the insurer's voting securities which the applicant, its affiliates and any person listed in item 3, plans to acquire. Describe the terms of the offer, request, invitation, agreement or acquisition. State the method used to determine the fairness of the proposal.

#### Item 7. Ownership of voting securities

State the amount of each class of any voting security of the insurer which is beneficially owned or concerning which there is a right to acquire beneficial ownership by the applicant, its affiliates or any person listed in item 3.

#### Item 8. Contracts, arrangements, or understandings with respect to voting securities of the insurer



Fully describe any contracts, arrangements or understandings with respect to any voting security of the insurer in which the applicant, its affiliates or any person listed in item 3 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. Identify the persons with whom such contracts, arrangements or understandings have been entered.

File as exhibits copies of all tender offers for, requests or invitations for, tenders of, exchange offers for, and agreements to acquire or exchange any voting securities of the insurer and, if distributed, of additional soliciting material relating thereto and annual reports to the stockholders of the insurer and applicant for the last two fiscal years.

#### Item 9. Recent purchases of voting securities

Describe any purchases of any voting securities of the insurer by the applicant, its affiliates or any person listed in item 3 during the twelve calendar months preceding the filing of this statement. Include in the description the dates of purchase, the names of the purchasers, and the consideration paid or agreed to be paid therefore. State whether any such shares are pledged or hypothecated.

#### Item 10. Recent recommendations to purchase

Describe any recommendations to purchase any voting security of the insurer made by the applicant, its affiliates or any person listed in item 3, or by anyone based upon interviews or at the suggestion of the applicant, its affiliates or any person listed in item 3 during the twelve calendar months preceding the filing of this statement.

#### Item 11. Agreements with broker-dealers

Describe the terms of any agreement, contract or understanding made with any broker-dealer as to solicitation of voting securities of the insurer for tender and the amount of any fees, commissions or other compensation to be paid to broker-dealers with regard thereto.

#### Item 12. Financial statements



(A) Financial statements shall be attached to this statement as exhibits. However, list under this item the financial statements so attached.

(B) The financial statements shall include: (1) the annual financial statements of the persons identified in item 2(C) for the preceding five fiscal years or for such lesser period as such applicant and its affiliates and any of its predecessors shall have been in existence and (2) similar information covering the period from the end of such person's last fiscal year, if such information is available. Such statements may be prepared on either an individual basis or, unless the superintendent otherwise requires, on a consolidated basis, if the consolidated statements are prepared in the usual course of business.

(C) The annual financial statements of the applicant shall be accompanied by the certificate of an independent public accountant to the effect that such statements present fairly the financial position of the applicant and the results of its operations for the year then ended, in conformity with generally accepted accounting principles or with requirements of insurance or other accounting principles prescribed or permitted under law. If the applicant is an insurer which is actively engaged in the business of insurance, the financial statements must be based on the annual statement of such person filed with the insurance department of the person's domiciliary state and be in accordance with the requirements of insurance or other accounting principles prescribed or permitted under the law and regulations of such state.

#### Item 13. Corporate authority

If the applicant is not an individual, file a certified copy of:

(1) The resolution of the board of directors of the applicant approving the transaction and directing that the agreement underlying the transaction be submitted to a vote of the shareholders, members or policyholders entitled to vote on the matter.

(2) The resolution of the shareholders, members or policyholders of the applicant approving the transaction.





Item 14. Notice to domestic insurer

State whether the applicant has sent a copy of form A to the domestic insurer.

Item 15. Signature and certification

Signature and certification required as follows:

Signature

Pursuant to the requirements of section 3901.321 of the Revised Code \_\_\_\_\_ has caused this application to be duly signed on its behalf in the city of \_\_\_\_\_ and state of \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_

Name of applicant

By: _____,	its: _____
(Name)	
Attest:	
_____	_____
(Signature of officer)	(Title)

Certification

The undersigned deposes and says that (s)he has duly executed the attached application dated \_\_\_\_\_, 20\_\_\_\_, for and on behalf of \_\_\_\_\_(Name of applicant), and that (s)he is authorized to execute and file such instrument. Deponent further says that (s)he is the \_\_\_\_\_ of such company and that (s)he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his or her knowledge, information and belief.



AUTHENTICATED,  
OHIO LEGISLATIVE SERVICE  
COMMISSION  
DOCUMENT #293898

	(Signature) _____
	_____
	(Type or print name)
State of _____ )	
	ss
County of _____ )	

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_,  
20\_\_\_\_.

\_\_\_\_\_

Notary public"

(I) Severability

If any paragraph, term or provision of this rule is adjudged invalid for any reason, the judgment shall not affect, impair or invalidate any other paragraph, term or provision of this rule, but the remaining paragraphs, terms and provisions shall be and continue in full force and effect.