

**Sec. 38a-41-3. General qualifications**

Any unlicensed insurance company seeking to solicit or market insurance products in this state is hereby declared subject to Sections 38a-41-1 to 38a-41-4, inclusive, of the Regulations of the Connecticut State Agencies. All companies desiring to become authorized to transact kinds of insurance permitted by title 38a of the Connecticut General Statutes shall submit an application as follows:

**(1) Capital and domiciliary licensure requirements.**

(A) The applicant shall file an application on the form prescribed by the insurance commissioner setting forth the lines of insurance which it desires to write. For each line of insurance the applicant proposes to write it shall demonstrate that it is possessed of adequate capital and/or surplus funds in a minimum amount as prescribed in title 38a of the Connecticut General Statutes.

(B) A determination of financial condition will be made regarding those companies which apply. In making this determination there shall be deducted from unassigned funds any non-qualifying assets or understatement in reserves or special deposits not held on account for all policyholders. The difference between market value and amortized value of investments in bonds may be taken into consideration and also the ratio of earned premiums to surplus as regards policyholders for non-life companies when the ratio exceeds 3:1, as well as any other ratios that are generally acceptable among regulators and the insurance industry.

(C) Applicant shall hold a valid Certificate of Authority from its state of domicile or jurisdiction which authorizes it to transact those kinds of insurance it proposes to transact in this state.

**(2) Historic business experience.**

(A) Applicant shall demonstrate an orderly pattern of growth in the company's marketing territories in the geographic region. The commissioner, upon assessment of the rate of growth of the company, its business persistency, supporting surplus resources, business acquisition costs, claims experience and investment policies shall make a determination concerning the adequacy of equity resources as related to the company's business expansion. Such determination, together with a review of policyholder service arrangements relating to Connecticut residents, will be used to evaluate the company's potential to perform on policy obligations contracted within this state and its expertness in marketing and servicing its product lines.

(B) Applicant shall show that it writes those lines of business in its domiciliary jurisdiction or other license jurisdictions that it proposes to write in this state in sufficient volume as to demonstrate an expertise in marketing and servicing such products lines. This requirement may be waived regarding survivor corporations in the case of mergers or consolidations, or a company which is an affiliate of an insurer licensed in Connecticut if it is determined this requirement is unnecessary.

**(3) Specific filing requirements.**

Each insurance company shall file applications using the licensing requirements, forms and procedures as set forth in the Uniform Certificate of Authority Application (UCAA), and any supplemental forms promulgated pursuant to the UCAA published by the National Association of Insurance Commissioners, subject to any deviations of form and detail and additional filings as may be prescribed by the commissioner.

*Regulations of Connecticut State Agencies*

---

(Effective November 25, 1992; Amended July 30, 1999; Amended March 10, 2003)