Title 210 - NEBRASKA DEPARTMENT OF INSURANCE

Chapter 65 - CREDIT FOR REINSURANCE

001. The Department of Insurance ("Department") hereby adopts the National Association of Insurance Commissioners ("NAIC") model regulation entitled, "Credit for Reinsurance Model Regulation (#786)" ("Model"), adopted by the NAIC on June 25, 2019, a copy of which may be obtained at the offices of the Department or by visiting the Department's website at https://doi.nebraska.gov/public-info/rulesregulations-and-guidance-document-index, with the following notes, exceptions, clarifications and additions:

002. This regulation is promulgated pursuant to the authority granted by Neb. Rev. Stat. Sections 44-416.09 and 44-101.01.

003. All references in the Model of the term "commissioner" are replaced with "Director".

004. In Section 2 of the Model, the bracketed language is replaced in its entirety with the following, "statutes set forth in Neb. Rev. Stat. sections 44-416.05 et. seq. and 44-417."

005. In Section 4 of the Model, the bracketed language is replaced in its entirety with "44-416.06(2)".

006. In Section 5A of the Model, the bracketed language is replaced in its entirety with "44-416.06(3)".

007. In Section 6A of the Model, the bracketed language is replaced in its entirety with "44-416.06(4)".

008. In Section 7A of the Model, the language appearing in the first bracket is replaced in its entirety with, "44-416.06(5)", while the language appearing in the second bracket is replaced in its entirety with "44-416.08".

009. In Section 7E of the Model, bracketed language is included four times. In both instances where the bracketed language states "cite specific law equivalent to Section 2 of the Credit for Reinsurance Model Law (#785)" that language is replaced in its entirety with "Section 44-416.06". In both instances where the bracketed language states "cite state law equivalent of Section 4A of the Credit for Reinsurance Model Law (#785)" that language is replaced in its entirety with "Section 44-416.08(1)".

010. In Section 8A of the Model, the language appearing in the first bracket is replaced in its entirety with, "44-416.06(6)", while the language appearing in the second bracket is replaced in its entirety with "44-416.06(6) and 44-416.07".

011. In Section 8B(7) of the Model, the bracketed language is replaced in its entirety with "Section 84-712 et. seq."

012. In Section 8B(7)(b) of the Model, the bracketed language is replaced with "per NAIC instructions".

013. In Section 9A of the Model, the bracketed language is replaced in its entirety with "Section 44-416.06(7)".

014. In Section 9B(3) of the Model, the bracketed language is replaced in its entirety with "Section 44-416.06(6)(d)(i)-44-416.06(6)(d)(v) and Section 8C of this regulation".

015. In Section 9C(4)(e) of the Model, the bracketed language is replaced in its entirety with "Sections 44-416.06(6) and 44-416.07".

016. In Section 9D(2) of the Model, the bracketed language is replaced in its entirety with "Sections 44-416.05 et seq. and 44-417 or this regulation".

017. In Section 10 of the Model, the bracketed language that states, "cite specific law equivalent of Section 2G of the *Credit for Reinsurance Model Law (#785)*" is replaced in its entirety with "44-416.06(8)", while the bracketed language that states "cite state law equivalent of Sections 2A, B, C, D, E, F or other appropriate section of the of the *Credit for Reinsurance Model Law (#785)*" is replaced in its entirety with "44-416(2) to Section 44-416(7)".

018. In Section 11 of the Model, the language appearing in the first set of brackets is replaced in its entirety with "44-416.07"; the language appearing in the second set of brackets is replaced in its entirety with "44-416.06"; and the language appearing in the third set of brackets is replaced in its entirety with "44-416.08(2)".

019. In Section 11A(3) of the Model, the bracketed language is replaced in its entirety with "44-416.08(1)".

020. In both Sections 128(1) and 128(11)(c) of the Model, the bracketed language is replaced in its entirety with "44-416.08(2)".

021. In Section 12b(13) of the model, the first sentence is replaced in its entirety with "Either the reinsurance agreement or the trust agreement must stipulate that assets deposited in the trust account shall be valued according to their current fair market value and shall consist only of cash in United States dollars, certificates of deposit issued by a United States bank and payable in United States dollars, and investments permitted by§§ 44-5123 through 44-5132 and§§ 44-5137 through 44-5141 of the Insurance Code or any combination of the above, provided investments in or issued by an entity controlling, controlled by or under common control with either the granter or the beneficiary of the trust shall not exceed five percent (5%) of total investments."

022. With respect to Section 12F of the Model, the Department does not adopt that Section of the Model.

023. In Section 13A of the Model, the bracketed language is replaced in its entirety with "44-416.08(1)".

024. In both Sections 15 and 158 of the Model, the bracketed language is replaced in its entirety with "44-416.06".

025. In Section 15A of the Model, the bracketed language is replaced in its entirety with "44-417".

026. In Section 16 of the Model, the bracketed language is replaced with "the effective date of this regulation".

027. All references to "Insurance Commissioner" and "commissioner'' appearing in Forms AR-1, CR-1 and RJ-1, which are included at the end of the Model, are replaced with "Director of Insurance".

028. In Form CR-1, which appears at the end of the Model: (i) the bracketed language appearing in item 5 is replaced in its entirety with "Section 88(7)(b) of the NAIC Credit for Reinsurance Model Regulation which was adopted at 210 Neb. Admin. Code §65-001"; and (ii) the bracketed language appearing in item 7 is replaced in its entirety with 11Section 88(7)(d) of the NAIC Credit for Reinsurance Model Regulation which was adopted at 210 Neb. Admin. Code §65-001".

029. In Form RJ-1, which appears at the end of the Model: (i) all bracketed language stating "Name of State" is replaced with "Nebraska"; and (ii) the bracketed language in item 7 is replaced in its entirety with "Section 9C(5) of the NAIC Credit for Reinsurance Model Regulation which was adopted at 210 Neb. Admin. Code §65-001"