

Assumption Reinsurance Transactions Involving Life and Health Insurance or Annuities

General Information

- Assumption Reinsurance Agreements are governed by NCGS 58-10-20 et seq., and are subject to dual review by the Financial Evaluation and Life & Health Divisions.
- The Life & Health Division has primary responsibility for the handling of Assumption Reinsurance Transactions.
- The Financial Evaluation Division reviews the transaction for compliance with NCGS 58-10-30(h).
- Final compliance action by Life & Health is contingent upon the recommendations of the Financial Evaluation Division.
- When a transaction involves a domestic insurer, both the assumption certificate form and notice of transfer require prior approval. See NCGS 58-10-30(d) and (e) and NCGS 58-3-150.
- If the laws in both the transferring and assuming company's states of domicile are substantially similar to the laws in North Carolina per NCGS 58-10-30(f), then the transaction is only required to be filed with the Department. All required information, including the notice of transfer and all attachments must be submitted. **Note the assumption certificate must still be approved as an insurance form per NCGS 58-3-150. The notice of transfer that complies with NCGS 58-10-30(b) and (c) shall be filed for informational purposes only. Refer to NCGS 58-10-30(f).**
- If NCGS 58-10-30(f) does not apply, then the transaction and all related forms must be approved by the Commissioner. This includes approval of the notice of transfer per NCGS 58-10-30(d) and the assumption certificate per NCGS 58-3-150.