



Division of Insurance

## Guidelines for Colorado Approval of Mergers

Statutory Authority: Sections 10-3-701 et seq., Colorado Revised Statutes

Formal approval must be obtained from the Colorado Commissioner of Insurance whenever a foreign or domestic insurer has any of its risks assumed by another insurer, whether this assumption of risk is effected through a reinsurance treaty, a merger, a consolidation, or otherwise.

The following items must be filed with the Corporate Affairs Section of the Colorado Division of Insurance:

1. A petition to the Commissioner for approval of the transaction. The petition shall set forth the names of the insurers and their states of domicile, the effective date of the proposed merger, dates of approval of the domiciliary states, and provide reference to and incorporation of the Articles of Merger.
2. A copy of the executed plan of merger.
3. Articles of Merger. Three copies for domestics. One copy for foreign companies, certified by the state of domicile of the surviving company; or two copies of a "certificate of fact" (generally a one page document from the Secretary of State certifying that the articles of merger were filed and the effective date).
4. Copies of the approvals of each domiciliary state.
5. A copy of the executed assumption agreement, if applicable.
6. A copy of the notice to policyholders or assumption certificate.\*
7. Return of the Certificate of Authority of the merging company. Return of the Certificate of Authority of the surviving company if there is a simultaneous name change and/or redomestication. Please note, when there is name change, a new application form must be completed.
8. A copy of the annual statement of each company, if not already filed.
9. A proforma financial statement of the surviving company (or actual if the transaction has already occurred).
10. A "FINAL" financial statement (NAIC blank) for the merging company, if it is licensed in Colorado. This should be accompanied by a final tax return/payment for the

merging company, or an affidavit indicating the surviving company is assuming this tax liability and describing the timing of such payment.

11. A copy of the Board resolution if a domestic company.
12. If the surviving company is a domestic, provide a summary of the effect on ceding reinsurance agreements and file all the merging company's agreements with business in force. These agreements must comply with Colorado law and regulation if reserve credit is taken.
13. If the companies involved are foreign, once an approval by the Colorado Division of Insurance is received, the surviving company must file a certified copy of the Articles of Merger with the Colorado Secretary of State. If the surviving company is a Colorado domestic, two of the three copies of the Articles of Merger will be returned to the company and are to be filed with the Colorado Secretary of State; one copy must then be returned to the Insurance Division to evidence that filing. Information on filings with the Colorado Secretary of State can be found on their web page at [www.sos.state.co.us](http://www.sos.state.co.us).

\*Please note that any form filings that are required to be filed as a part of the merger filing, such as the assumption certificate or similar policy endorsement, must also be in compliance with Colorado Regulation 1-1-6 and a proper form filing must be made with the Rates and Forms section of the Colorado Division of Insurance.

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