

**STATE OF COLORADO
DIVISION OF INSURANCE**

RETALIATORY STATEMENT

FEES PAYABLE TO THE COLORADO DIVISION OF INSURANCE:

- With initial application, NONREFUNDABLE, for investigating and processing \$500.00

Annual NONREFUNDABLE fee in the year of authorization and each subsequent calendar year:

- Prior year's direct written premiums in Colorado not exceeding \$1,000,000 \$670.00
- Prior year's direct written premiums in Colorado in excess of \$1,000,000 but not exceeding \$10,000,000 \$2,010.00
- Prior year's direct written premiums in Colorado In excess of \$10,000,000 \$3,345.00

In addition to the fees noted above each entity regulated by the division shall pay a nonrefundable annual fee of \$561.00 to provide adequate funds to the Colorado department of law for the investigation and prosecution of allegations of insurance fraud.

PREMIUM TAXES

Property and Casualty, Title

Effective year 2000 2.00% of the amount of gross premiums collected or contracted for on policies or contracts of insurance covering property or risks in this State, during the preceding calendar year after deducting the amount received as reinsurance premiums on business in this State and amounts paid to policyholders as return premiums which shall include dividends or unabsorbed premiums or premium deposits returned or credited to policyholders.

Life

Effective year 2000 2.00% of the amount of gross premiums collected or contracted for on policies or contracts of insurance covering risks in this State during the preceding calendar year after deducting the amount received as reinsurance premiums on business in this State, and the amount refunded under credit life and credit accident and health insurance policies on account of termination of insurance prior to the maturity date of the indebtedness. Tax imposed shall not apply to premiums collected under qualified plans after December 31, 1968; on annuity considerations collected after December 31, 1976.

Reduced Tax Rate

For companies maintaining a qualifying home office or a regional home office, pursuant to §10-3-209(1)(b)(II), CRS, in this State, the rate of tax on the gross amount shall be 1%.

Retaliatory Provisions

The retaliatory provisions of Colorado law shall apply to taxes in the aggregate, as well as to any other prohibitions or requirements imposed on Colorado companies by the applicant's State of Domicile.

CAPITAL/GUARANTY FUND PLUS SURPLUS REQUIREMENTS

TYPE OF COMPANY	CAPITAL/GUARANTY FUND PLUS SURPLUS
Life	\$1,500,000
Fire	\$1,500,000
Casualty	\$1,500,000
Multiple Line	\$2,000,000
Title	\$ 750,000

In addition to the above, an adequate operating surplus is required for the initial licensure of domestic and foreign entities. Generally we will require documentation evidencing a sufficient cushion in excess of the authorized control level of the NAIC risk based capital calculations.

It should be noted that assets supporting the aggregate surplus of all companies seeking licensure must qualify under Colorado law.

Deposits

The deposit, for the benefit of ALL policyholders wherever located, must equal in **MARKET VALUE** the minimum capital or guaranty fund and surplus requirement set forth above for the type of license indicated.

