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COMMISSIONER



STATE OF DELAWARE
DEPARTMENT OF INSURANCE

DOMESTIC AND FOREIGN INSURERS BULLETIN NO. 3

TO: ALL INSURANCE CARRIERS

**RE: ADMISSION OF FOREIGN STOCK AND MUTUAL INSURANCE COMPANIES/
“SEASONING”**

DATED: July 30, 1975

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REISSUED: April 8, 2024

This bulletin serves as a reminder to insurers seeking to expand their license to operate in Delaware of the Department’s seasoning requirements.

Experience in this State has shown that until a stock or mutual insurance company has been actively engaged in the business of insurance for at least three years, results have not been sufficient on which to form an opinion as to whether its methods and practices in the conduct of its business are such as to protect the best interest of the policyholders and the people of the State of Delaware in accordance with the intent and purpose of the laws of Delaware regulating the business of insurance.

Therefore, it is the policy of this Department that no application of a foreign stock or mutual insurance company for a license to transact the business of insurance will be considered until it has continuously and actively transacted an insurance business for at least three years immediately prior to making such application and has shown a net gain from operations at least one year prior to acceptance for admission.

The Department, may, however, waive the three-year waiting period and the one-year gain from operation requirements if it is in the best interests of the citizens of the State and it can be proven that their interests are fully protected. In order to make a waiver, an examination of the affairs and financial condition of the applicant company is required, as well as compliance with the Delaware Laws and the Regulations of this Department.

The above requirement does not apply to subsidiary or affiliate companies with substantially the same management of an admitted company or continuing corporation resulting from merger or consolidation of insurance companies, at least one of which has been organized and actively engaged in insurance business in the state of its organization for at least three years prior to the date of application for admittance.

Questions, comments, or requests for clarification about this Bulletin should be emailed to berg@delaware.gov.

This Bulletin shall be effective immediately and shall remain in effect unless withdrawn or superseded by subsequent law, regulation or bulletin.



Trinidad Navarro
Delaware Insurance Commissioner

NOTE: This Bulletin is intended solely for informational purposes. It is not intended to set forth legal rights, duties, or privileges, nor is it intended to provide legal advice. Readers should consult applicable statutes and rules and contact the Delaware Department of Insurance if additional information is needed.