A foreign stock or mutual insurer seeking a Delaware Certificate of Authority authorizing it to transact the business of Life, including annuities and Health would be required to comply with the following requirements:

1. **CAPITAL FUND REQUIREMENTS - 18 DEL. C. SECTION 511(a):**

<table>
<thead>
<tr>
<th></th>
<th>Capital</th>
<th>Free</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life</td>
<td>$300,000</td>
<td>$150,000</td>
</tr>
<tr>
<td>Health</td>
<td>$300,000</td>
<td>$150,000</td>
</tr>
<tr>
<td>Life &amp; Health</td>
<td>$350,000</td>
<td>$200,000</td>
</tr>
</tbody>
</table>

2. **GENERAL DEPOSIT REQUIREMENTS** - Pursuant to 18 Del. C. Section 513(a), the Commissioner shall not authorize a foreign insurer (other than an alien insurer) to transact insurance in this State unless it makes and thereafter continuously maintains on deposit in this State through the Commissioner, or in another state, cash or securities eligible for such deposit under the laws of this State or of such other state of a fair market value of not less than $100,000 for the protection of all its policyholders wherever located or all of its policyholders in the United States or of all its policyholders and creditors. The Commissioner shall accept a Certificate of Deposit from the official having supervision over the insurer in its state of domicile to the effect that such deposit or part thereof by such insurer is being maintained in public custody or control pursuant to law in such state.

3. **EXPERIENCE OR “SEASONING” REQUIREMENTS** - In accordance with Delaware Domestic/Foreign Insurers Bulletin No. 3, a like insurer to be eligible for consideration for admission must have been in continuous operation for three years. This 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.

4. **TAXES AND FEES** - The following taxes and fees would be imposed upon like foreign insurers:

   a) **Premium Taxes:**

      1-3/4% plus 1/4% of gross premiums written, after deducting 1) the amount of returned premiums on cancelled policies (but not including the return of cash surrender values of life insurance policies), and 2) the unabsorbed portion of any deposit premium and the amount returned to policyholders as dividends and similar returns, whether paid in cash or credited or applied in reduction of premiums.

      Tax on Employer Owned Life Policies and Trust Owned Life Policies – The premium tax shall be calculated on the basis of net premiums (upon which taxes are payable to the State of Delaware) received per case in each calendar year, except that in subsequent calendar years the premium tax rate shall not be higher than the rate established for the preceding year.
<table>
<thead>
<tr>
<th>Net Premiums per Case</th>
<th>Premium Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>First $10,000,000</td>
<td>2.0%</td>
</tr>
<tr>
<td>$10,000,001 to $24,999,999</td>
<td>1.5%</td>
</tr>
<tr>
<td>$25,000,000 to $99,999,999</td>
<td>1.25%</td>
</tr>
<tr>
<td>$100,000,000 and over</td>
<td>1.0%</td>
</tr>
</tbody>
</table>

b) Admission Fees:
   - Application for Admission $1000.00
   - Issuance of Certificate of Authority $150.00

c) Renewal Fees:
   - Continuation of Certificate of Authority $150.00
   - Filing Annual Statement $150.00

d) Appointment of Producers:
   - Appointment of producers, each producer $50.00
     (One-time appointment fee, no renewal)

e) Filing Fees:
   - Amended Articles of Incorporation $10.00
   - Amended By-Laws $10.00
   - Articles of Merger -0-
   - Articles of Redomestication $160.00
   - Adding or deleting lines of Business $150.00
   - Form A $1000.00

f) Filing Rates and Forms
   - Each form, endorsement, application, rate and/or deviation $150.00

i) Filing Holding Company Registration Statement:
   - Initial registration statement $100.00
   - Each amendment thereof $100.00

Every insurer which is authorized to do business in the State of Delaware and which is a member of an insurance holding company system shall register with the Commissioner, except a foreign insurer subject to registration requirements and standards adopted by statute or regulation in the jurisdiction of its domicile which are substantially similar to Delaware. The Commissioner may require any insurer authorized to do business in the State which is a member of a holding company system, and which is not subject to registration, to furnish a copy of the registration statement, the summary or other information filed by such insurance company with the insurance regulatory authority of domiciliary jurisdiction.

5. REGULATIONS - A like insurer seeking authority to conduct variable annuities and variable life would be required to comply with the provisions of Delaware Insurance Regulation Nos. 1 and 44, respectively.

All statutory references are to Title 18, Delaware Insurance Code.