

Guidelines for voluntary withdrawals



1. These guidelines apply to insurance companies seeking voluntary withdrawal from doing all business in the State of North Dakota.
2. The withdrawing company must be in compliance with Title 26.1.
3. The company must submit an application for withdrawal, which must include a plan designed to protect the policyholders and claimants. The plan of withdrawal must contain at least the following:
 - The reason for withdrawal.
 - The proposed date of withdrawal.
 - The date notice will be mailed to policyholders.
 - A description of the insurance business written during the last three years including premium volume, number of policyholders by line of insurance, number of exposures, and approximate market share by line of insurance.
 - The address of each office in North Dakota, if any, not including the address of agents or agencies.
 - A copy of the proposed cancellation, nonrenewal, or termination notices together with any other withdrawal-related correspondence.
 - For life, health or annuity business, a copy of the certificate of assumption, if any, and a copy of the notice to policyholders. For other than life, a copy of the assumption agreement, if any, and a copy of the notice to policyholders.
 - A list of all deposits with North Dakota.
 - For a company with outstanding occurrence policies, the Company must provide a mailing address to which a copy of any process served against the withdrawing company may be sent.
 - A statement that the company will continue to settle claims without prejudice or delay.
 - A description of the company's plan to address outstanding claims or potential claims.
 - A written certification that the information submitted in the proposed plan is accurate and complete, signed by an officer of the company.
4. Written notice of a property and casualty's plan to cease writing and renewing a property and casualty insurance product must be provided to the Commissioner before the notification of agents and policyholders (N.D.C.C. § 26.1-25-04.4).
5. A company may not withdraw unless the company's active policies are insured or assumed by another insurer licensed in this state, or, in the case of a policy subject to cancellation by the insurer, it cancels the policy.
6. The company must have paid all premium tax, annual filing fees, and guaranty assessments.
7. The withdrawal by the company does not affect any pending action against the corporation, or any right of action existing at or before or arising after the filing of the statement or withdrawal.
8. The company must return its Certificate of Authority for cancellation once all policies have terminated or been assumed by another company. The canceled Certificate of Authority will be held by the Department and a copy stamped "canceled" will be returned to the company.