



LOUISIANA DEPARTMENT OF INSURANCE
JAMES J. DONELON
COMMISSIONER

ADVISORY LETTER 2021-06

TO: ALL DOMESTIC, FOREIGN AND ALIEN INSURERS

FROM: JAMES J. DONELON, COMMISSIONER OF INSURANCE

RE: ELIGIBILITY FOR CERTIFICATION AS A REINSURER – RECIPROCAL JURISDICTIONS

DATE: DECEMBER 21, 2021

The purpose of Advisory Letter 2021-06 is to publish, in accordance with La. R.S. 22:651(F)(3), a list of reciprocal jurisdictions from which reinsurers may apply for eligibility for the purpose of eliminating, under specified conditions, reinsurance collateral requirements. Pursuant to La. R.S. 22:651(F), the Commissioner of Insurance (“Commissioner”) shall allow credit for reinsurance to a domestic ceding insurer when the assuming insurer has satisfied the conditions for recognition as a reciprocal jurisdiction reinsurer pursuant to La. R.S. 22:651(F)(1).

One of the prerequisites for eligibility, pursuant to La. R.S. 22:651(F)(1), is that the reinsurer “has its head office or is domiciled in, as applicable, and is licensed in a reciprocal jurisdiction.” The Commissioner's list shall include any non-United States jurisdiction that is subject to an in-force covered agreement with the United States, each within its legal authority, or, in the case of a covered agreement between the United States and the European Union, is a member state of the European Union. Additionally, the Commissioner's list shall include any United States jurisdiction that meets the requirements for accreditation under the NAIC Financial Standards and Accreditation Program. The Commissioner shall consider any other reciprocal jurisdiction published by the NAIC through the NAIC Committee Process. The Commissioner may approve a jurisdiction that does not appear on the NAIC list of reciprocal jurisdictions in accordance with criteria developed pursuant to regulations.

Therefore, in accordance with La. R.S. 22:651(F)(1)(a)(ii), the following jurisdictions are reciprocal jurisdictions for purposes of recognizing an assuming insurer as being from a reciprocal jurisdiction pursuant to La. R.S. 22:651(F)(1):

Covered Agreement Reciprocal Jurisdictions

- European Union member states
- United Kingdom

Qualified Jurisdiction Reciprocal Jurisdictions

- Bermuda
- Japan
- Switzerland

U.S. Accredited Jurisdictions

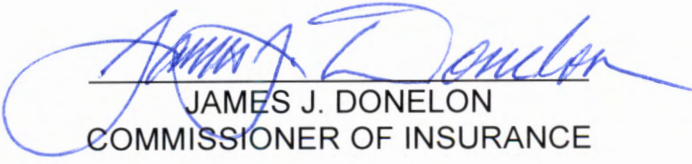
- All United States jurisdictions that meet the requirement for accreditation under the NAIC Financial Standards and Accreditation Program.

Any jurisdiction approved by the NAIC and included in the NAIC List of Reciprocal Jurisdictions subsequent to the issuance of Advisory Letter 2021-06 shall be deemed a reciprocal jurisdiction for purposes of La. R.S. 22:651(F)(3) unless the Commissioner determines that the jurisdiction is not qualified pursuant to applicable provisions of the Louisiana Insurance Code or regulations promulgated by the Louisiana Department of Insurance.

A list of the U.S. jurisdictions that meet the requirements of the NAIC accreditation program and are currently accredited is available on the NAIC Financial Regulation Standards and Accreditation (F) Committee web page at <https://content.naic.org/cmte f accredited states.htm>. The most current NAIC List of Reciprocal Jurisdictions is available on the NAIC website at <https://content.naic.org/sites/default/files/inline-files/committees e reinsurance reciprocal jurisdictions list 0.pdf>.

If there are any questions or concerns regarding Advisory Letter 2021-06, please contact the Deputy Commissioner for the Office of Financial Solvency electronically at public@ldi.la.gov.

Baton Rouge, Louisiana, this 21st day of December 2021.



JAMES J. DONELON
COMMISSIONER OF INSURANCE