

2767.0600 LICENSE RENEWALS.

Subpart 1. **Time of filing.** Application for renewal of a license must be filed with the commissioner at least 60 days prior to the expiration date of that license.

Subp. 2. **Required information.** In support of the application for license renewal, an administrator shall submit:

A. Any changes in the description of the administrative services intended to be provided.

B. Any changes in ownership of the company, including detailed information about the new owners.

C. Any changes in key staff or an employee's responsibilities, including resumes of all new key staff members or additional information to show qualifications of current staff to take on new responsibilities.

D. An explanation of any changes of the responsibilities of any subcontractor, including changes in firms contracted with, services provided, or individuals providing services contracted for.

E. Financial statements for the previous two years, including a certified financial statement for the most recent fiscal year of the administrator or the parent guarantor, if applicable. Certified financial statements for a period ending more than six months prior to the date of the renewal application must be accompanied by an affidavit signed by a company officer under oath describing any material change in the net worth or financial condition of the applicant since the date of the certified financial statement. If the administrator has a gross income from sources within the state of Minnesota of less than \$100,000 per year so that the completion of the certified financial statement proves to be an undue financial burden, the applicant may have this requirement waived if:

(1) it has two years of operation within Minnesota on a solvent basis with no history of corporate bankruptcy or personal bankruptcy among chief officers and stockholders; and the administrator provides for "reviewed financial statements" by an independent certified public accountant or licensed public accountant, and provides to the department a copy of those reviewed financial statements along with corporate bank references; or

(2) it posts a surety bond in a form satisfactory to the commissioner in an amount equal to the amount of the claims handled by the applicant in the prior year with a minimum of \$100,000.

F. Proof of coverage under a fidelity bond for all persons involved in making claims payments, and all officers of the company.

G. Information relating to any changes in personnel acting as resident agent for the administrator.

Statutory Authority: *MS s 45.023; 60A.23*

History: *9 SR 2580; 12 SR 846; 19 SR 2004*

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