

**ALABAMA DEPARTMENT OF INSURANCE
INSURANCE REGULATION**

CHAPTER 482-1-118

**RECORD RETENTION FOR FINANCIAL AUDITS AND TIME
LIMITS FOR RESPONSE TO INQUIRIES FROM EXAMINERS**

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482-1-118-.01 Authority and Short Title. This chapter is adopted pursuant to Sections 27-2-17, 27-2-20, 27-2-21, and 27-21A-19, Code of Alabama 1975.

Author: Commissioner of Insurance

Statutory Authority: Code of Alabama 1975, §§ 27-2-17, 27-2-20, 27-2-21, and 27-21A-19

History: New September 21, 1999, Effective October 1, 1999

482-1-118-.02 Purpose. The purpose of this chapter is to describe the requirements for record-keeping for insurance companies and related entities doing business in this state and responses to inquiries from examiners.

Author: Commissioner of Insurance

Statutory Authority: Code of Alabama 1975, §§ 27-2-17, 27-2-20, 27-2-21, and 27-21A-19

History: New September 21, 1999, Effective October 1, 1999

482-1-118-.03 Records Required for Purposes of Financial Examinations. Every insurer, which term shall include every domestic insurer, foreign insurer, health care services corporation, health maintenance organization, prepaid dental plan, managing general agent or any other legal entity regulated by the Insurance Code and licensed to do business in this state shall maintain its books, records, documents and other business records in order that the insurer's financial condition may be readily ascertained by the Department of Insurance, taking into consideration other record retention requirements. All records must be maintained for not less than five (5) years.

Author: Commissioner of Insurance

Statutory Authority: Code of Alabama 1975, §§ 27-2-17, 27-2-20, 27-2-21, and 27-21A-19

History: New September 21, 1999, Effective October 1, 1999

482-1-118-.04 Form of Record. Photographs, microfilms or other image-processing reproductions of records shall be equivalent to the originals and may be certified as same in actions or proceedings before the Department of Insurance unless inconsistent with Chapter 482-1-065. However, the maintenance or records in a computer-based format shall be archival in nature only, so as to preclude the possibility of alteration of the contents of the record by computer after the initial transfer of the record to this format. In addition, all records must be capable of duplication to hard copy upon the request of an examiner.

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Author: Commissioner of Insurance

Statutory Authority: Code of Alabama 1975, §§ 27-2-17, 27-2-20, 27-2-21, and 27-21A-19

History: New September 21, 1999, Effective October 1, 1999

482-1-118-.05 Location of Files. All financial books, records and accounts necessary for the annual statement of an Alabama domestic insurer must be kept in a central location in Alabama in accordance with Section 27-27-29, Code of Alabama 1975.

Author: Commissioner of Insurance

Statutory Authority: Code of Alabama 1975, §§ 27-2-17, 27-2-20, 27-2-21, and 27-21A-19

History: New September 21, 1999, Effective October 1, 1999

482-1-118-.06 Time Limits. The insurer shall provide, within ten (10) working days, any record or response requested in writing by any duly appointed deputy, assistant, employee or examiner of the commissioner. When the requested record or response is not produced or cannot be produced by the insurer within ten working days, the nonproduction shall be deemed a violation of this rule, unless the Commissioner or duly appointed person making the request grants an extension in writing or the insurer can demonstrate to the satisfaction of the Commissioner that there is a reasonable justification for the delay.

Author: Commissioner of Insurance

Statutory Authority: Code of Alabama 1975, §§ 27-2-17, 27-2-20, 27-2-21, and 27-21A-19

History: New September 21, 1999, Effective October 1, 1999

482-1-118-.07 Separability. If any provision of this chapter or the application thereof to any person or circumstances is for any reason held to be invalid, the remainder of the chapter and the application of its provisions to other persons or circumstances shall not be affected thereby.

Author: Commissioner of Insurance

Statutory Authority: Code of Alabama 1975, §§ 27-2-17, 27-2-20, 27-2-21, and 27-21A-19

History: New September 21, 1999, Effective October 1, 1999

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482-1-118-.08 Effective Date. This chapter shall be effective on October 1, 1999, upon its approval by the Commissioner of Insurance, and upon its having been on file as a public document in the office of the Secretary of State for ten days.

Author: Commissioner of Insurance

Statutory Authority: Code of Alabama 1975, §§ 27-2-17, 27-2-20, 27-2-21, and 27-21A-19

History: New September 21, 1999, Effective October 1, 1999