

**ALABAMA DEPARTMENT OF INSURANCE
INSURANCE REGULATION**

CHAPTER 482-1-103

**CONDUCT OF EXAMINATIONS AND FILING OF
REPORTS OF EXAMINATION**

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482-1-103-.01 Purpose. The purpose of this chapter is to generally set forth the guidelines for conducting financial examinations and the time requirements for filing of reports of examination.

Author: Commissioner of Insurance

Statutory Authority: Code of Alabama 1975, § 27-2-17

History: New July 5, 1994, Effective July 15, 1994

482-1-103-.02 Authority. This chapter is promulgated by the Commissioner of Insurance pursuant to Section 27-2-17, Code of Alabama 1975.

Author: Commissioner of Insurance

Statutory Authority: Code of Alabama 1975, § 27-2-17

History: New July 5, 1994, Effective July 15, 1994

482-1-103-.03 Conduct of Examinations.

(1) Upon determining that an examination report should be conducted, the commissioner will issue an examination warrant appointing one or more examiners to perform the examination and instructing them as to the scope of the examination.

(2) In conducting the examination, the examiner shall observe those guidelines and procedures set forth in the Examiners' Handbook adopted by the National Association of Insurance Commissioners.

Author: Commissioner of Insurance

Statutory Authority: Code of Alabama 1975, § 27-2-17

History: New July 5, 1994, Effective July 15, 1994

482-1-103-.04 Examination Reports.

(1) No later than sixty (60) days following completion of the examination, the examiner in charge shall file with the Chief Examiner a verified report of examination under oath. Upon receipt of the verified report, the Chief Examiner shall transmit a copy of the report to the person examined, together with a notice which shall afford the examinee thirty (30) days to make a written submission or rebuttal with respect to any matters contained in the examination report. The written submission by the examinee shall specify any item or items to which the examinee objects, including any affected page numbers of the report if necessary.

(2) Within thirty (30) days of the end of the period allowed for the receipt of written submissions or rebuttals, the commissioner will fully consider and review the

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report, together with any written submissions or rebuttals, and any relevant portions of the examiners' work papers and will enter an order doing one of the following:

(a) Adopting the examination report as filed or with modifications or corrections. If the examination report reveals that the company is operating in violation of any law, regulation, or prior order of the commissioner, the commissioner may order the company to take any action the commissioner considers necessary and appropriate to cure the violation.

(b) Rejecting the examination report with directions to the examiners to reopen the examination for purposes of obtaining additional data, documentation, or information, and refile pursuant to Paragraph (1) above.

(c) Calling for an investigatory hearing for purposes of obtaining additional documentation, data, information, and testimony.

Author: Commissioner of Insurance

Statutory Authority: Code of Alabama 1975, § 27-2-17

History: New July 5, 1994, Effective July 15, 1994; Revised August 12, 2015, Effective August 22, 2015

482-1-103-.05 Hearings, Procedures and Orders.

(1) Any order calling for an investigatory hearing in accordance with Rule 482-1-103-.04 shall provide the examinee with no less than twenty (20) days' notice of the date of the hearing, and shall include providing the examinee with a copy of the rules of procedure to be followed at the hearing (Departmental Regulation 65).

(2) The Commissioner will enter an order in accordance with Rule 482-1-103-.04(2)(a) within twenty (20) days of the conclusion of the investigatory hearing.

Author: Commissioner of Insurance

Statutory Authority: Code of Alabama 1975, § 27-2-17

History: New July 5, 1994, Effective July 15, 1994

482-1-103-.06 Effective Date. This chapter shall become effective ten (10) days from the date of certification that the properly executed chapter was delivered to the Secretary of State.

Author: Commissioner of Insurance

Statutory Authority: Code of Alabama 1975, § 27-2-17

History: New July 5, 1994, Effective July 15, 1994