

INTO UNLESS THE INSURER HAS NOTIFIED THE COMMISSIONER IN WRITING OF ITS INTENTION TO ENTER INTO SUCH TRANSACTION AT LEAST 30 DAYS PRIOR THERETO, OR SUCH SHORTER PERIOD AS THE COMMISSIONER MAY PERMIT, AND THE COMMISSIONER HAS NOT DISAPPROVED IT WITHIN SUCH PERIOD:

(1) SALES, PURCHASES, EXCHANGES, LOANS OR EXTENSIONS OF CREDIT, GUARANTEES, OR INVESTMENTS PROVIDED THAT, AS OF THE DECEMBER 31 NEXT PRECEDING, SUCH TRANSACTIONS ARE EQUAL TO OR EXCEED:

(I) WITH RESPECT TO NONLIFE INSURERS, THE LESSER OF 3 PERCENT OF THE INSURER'S ADMITTED ASSETS OR 25 PERCENT OF SURPLUS AS REGARDS POLICYHOLDERS;

(II) WITH RESPECT TO LIFE INSURERS, 3 PERCENT OF THE INSURER'S ADMITTED ASSETS;

(2) LOANS OR EXTENSIONS OF CREDIT TO ANY PERSON WHO IS NOT AN AFFILIATE, WHERE THE INSURER MAKES SUCH LOANS OR EXTENSIONS OF CREDIT WITH THE AGREEMENT OR UNDERSTANDING THAT THE PROCEEDS OF SUCH TRANSACTIONS, IN WHOLE OR IN SUBSTANTIAL PART, ARE TO BE USED TO MAKE LOANS OR EXTENSIONS OF CREDIT TO PURCHASE ASSETS OF, OR TO MAKE INVESTMENTS IN, ANY AFFILIATE OF THE INSURER MAKING SUCH LOANS OR EXTENSIONS OF CREDIT PROVIDED THAT, AS OF THE DECEMBER 31 NEXT PRECEDING, SUCH TRANSACTIONS ARE EQUAL OR EXCEED:

(I) WITH RESPECT TO NONLIFE INSURERS, THE LESSER OF 3 PERCENT OF THE INSURER'S ADMITTED ASSETS OR 25 PERCENT OF THE SURPLUS AS REGARDS POLICYHOLDERS;

(II) WITH RESPECT TO LIFE INSURERS, 3 PERCENT OF THE INSURER'S ADMITTED ASSETS;

(3) REINSURANCE AGREEMENTS OR MODIFICATIONS THERETO, IN WHICH, AS OF THE DECEMBER 31 NEXT PRECEDING, THE REINSURANCE PREMIUM OR A CHANGE IN THE INSURER'S LIABILITIES EQUALS OR EXCEEDS 5 PERCENT OF THE INSURER'S SURPLUS AS REGARDS POLICYHOLDERS, AS OF THE 31ST DAY OF DECEMBER NEXT PRECEDING, INCLUDING THOSE AGREEMENTS WHICH MAY REQUIRE AS CONSIDERATION THE TRANSFER OF ASSETS FROM AN INSURER TO A NONAFFILIATE IF AN AGREEMENT OR UNDERSTANDING EXISTS BETWEEN THE INSURER AND NONAFFILIATE THAT ANY PORTION OF SUCH ASSETS WILL BE TRANSFERRED TO ONE OR MORE AFFILIATES OF THE INSURER;

(4) MANAGEMENT AGREEMENTS, SERVICE CONTRACTS, AND ALL COST-SHARING ARRANGEMENTS; AND

(5) ANY MATERIAL TRANSACTIONS, SPECIFIED BY REGULATION, WHICH THE COMMISSIONER DETERMINES MAY ADVERSELY AFFECT THE INTERESTS OF THE INSURER'S POLICYHOLDERS.

(D) (1) A DOMESTIC INSURER MAY NOT ENTER INTO TRANSACTIONS, WHICH ARE PART OF A PLAN OR SERIES OF LIKE TRANSACTIONS WITH PERSONS WITHIN THE HOLDING COMPANY SYSTEM, IF THE PURPOSE OF