

# PROPOSED REGULATION OF THE COMMISSIONER OF INSURANCE

## LCB File No. R031-12

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: NRS 679B.130

A REGULATION relating to the content of audited financial statements of associations of self-insured employers.

**Section 1.** NAC 616B.609 is hereby amended to read as follows:

1. The audited statement of the financial condition of an association required by NRS 616B.404 must be:

(a) Prepared in accordance with generally accepted accounting principles of the United States, stated in United States dollars, and must contain the footnotes and opinions of the independent certified public accountant who prepared it.

(b) Accompanied by a statement, prepared by the independent certified public accountant who prepared the audited statement, certifying that the combined tangible net worth of all members of the association satisfies the requirements of NRS 616B.353 and that all members meet the financial requirements for membership that are established by law, the bylaws of the association or the underwriting plan of the association.

2. In addition to the statements and schedules required by law, the association shall submit the following exhibits and schedules from the Property/Casualty Insurance Annual Statement Blanks published by the National Association of Insurance Commissioners:

- (a) Exhibit 1 - Analysis of Nonadmitted Assets and Related Items;
- (b) Schedule A - Real Estate;
- (c) Schedule B - Mortgage Loans;

(d) Schedule BA - Other Long-Term Invested Assets;

(e) Schedule D - Bonds and Stocks;

(f) Schedule DA - Short-Term Investments;

(g) Schedule DB - Derivative Instruments; *and*

(h) ~~Schedule DM - Aggregate Statement and Market Values of Bonds and Preferred Stock;~~

~~and~~

~~(i)~~ Schedule P - Parts 1 through 4 - Analysis of Losses and Loss Expenses.

↪ The exhibits must be prepared in accordance with the Annual Statement Instructions Manual for Property and Casualty published by the National Association of Insurance Commissioners.