§ 925.16 Financial condition requirement for insurance company applicants.

An insurance company applicant shall be deemed to meet the financial condition requirement of section 4(a)(2)(B) of the Act (12 U.S.C. 1424(a)(2)(B)) and §925.6(a)(4) of this part, if, based on the information contained in the applicant’s most recent regulatory financial report filed with its appropriate regulator, the applicant meets all of its minimum statutory and regulatory capital requirements and the capital standards established by the National Association of Insurance Commissioners.


§ 925.17 Rebuttable presumptions.

(a) Rebutting presumptive compliance. The presumption that an applicant meeting the requirements of §§925.7 to 925.16 of this part is in compliance with section 4(a) of the Act (12 U.S.C. 1424(a)) and §925.6 (a) and (b) of this part, may be rebutted, and the Bank may deny membership to the applicant, if the Bank obtains substantial evidence to overcome the presumption of compliance.

(b) Rebutting presumptive noncompliance. The presumption that an applicant not meeting a particular requirement of §§925.8, 925.11, 925.12, 925.13, or 925.16 of this part is in noncompliance with section 4(a) of the Act (12 U.S.C. 1424(a)) and §925.6(a)(2), (4), (5), or (6) of this part, may be rebutted, and the applicant shall be deemed to meet such requirement, if the applicable requirements in this section are satisfied.

(c) Presumptive noncompliance by insurance company applicant with “subject to inspection and regulation” requirement of §925.8. If an insurance company applicant is not subject to inspection and regulation by an appropriate state regulator accredited by the National Association of Insurance Commissioners (NAIC), as required by §925.8 of this part, the applicant or the Bank shall prepare a written justification that provides substantial evidence acceptable to the Bank that the applicant is subject to inspection and regulation as required by §925.6(a)(2) of this part, notwithstanding the lack of NAIC accreditation.

(d) Presumptive noncompliance with financial condition requirements of §§925.11 and 925.16—(1) Applicants other than insurance companies. For applicants other than insurance companies, in the case of an applicant’s lack of a composite regulatory examination rating within the two-year period required by §925.11(b)(1) of this part, a variance from the rating required by §925.11(b)(3)(i) of this part, or a variance from a performance trend criterion required by §925.11(b)(3)(i) of this part, the applicant or the Bank shall prepare a written justification pertaining to such requirement that provides substantial evidence acceptable to the Bank that the applicant is in the financial condition required by §925.6(a)(4) of this part, notwithstanding the lack of rating or variance.