

Figure 1

APPENDIX F. HMO Form R

OKLAHOMA INSURANCE DEPARTMENT
REDOMESTICATION APPLICATION

HMO FORM R

Statement Regarding The Redomestication Of

Name of HMO

FILED WITH

THE INSURANCE COMMISSIONER
FOR THE STATE OF OKLAHOMA

Dated: _____, 20____

Name, Title Address and Telephone Number of
Individual to Whom Notices and Correspondence
Concerning This Statement Should Be Addressed:

ITEM 1. Identity and background of the applicant.

(A) State the name and address of the applicant seeking to redomesticate.

(B) State the nature of applicant's business operations for the past five years or for such lesser period as such applicant and any predecessors thereof shall have been in existence.

(C) Furnish a chart or listing clearly presenting the identities of the interrelationships among the applicant and all affiliates of the applicant. No affiliate need be identified if its total assets are equal to less than 1/2 of 1% of the total assets of the ultimate controlling person affiliated with the applicant. Also indicate in such chart or listing the following information:

(i) The percentage of ownership of each such person, which is owned or controlled by the applicant or by any other such person.

(ii) If control of any person is maintained other than by the ownership or control of voting securities, indicate the basis of such control.

(iii) As to each person specified in such chart or listing, indicate the type of organization (e.g. corporation, trust, partnership);

(I) Describe the business it transacts; and

(II) List the state or other jurisdiction of domicile.

Figure 2

- (iv) If court proceedings looking toward a reorganization or liquidation are pending with respect to any such person, indicate which person, and set forth the title of the court, nature of proceedings and the date when commenced.

ITEM 2. Identity and background of individuals associated with the applicant.

Provide the following with respect to each director and officer of the applicant; each director and officer of applicant's control person or persons; and each owner of 10% or more of the voting securities of the applicant and applicant's control person or persons:

- (A) Name and business address;
- (B) Present principal business activity, occupation or employment including position and office held and the name, principal business and address of any corporation or other organization in which such employment is carried on;
- (C) Material occupations, positions, offices or employments during the last five years, giving the starting and ending dates of each and the name, principal business and address of any business corporation or other organization in which each such occupation, position, office or employment was carried on; if any such occupation, position, office or employment required licensing by or registration with any federal, state or municipal government agency, indicate such fact, the current status of such licensing or registration, and an explanation of any surrender, revocation, suspension or disciplinary proceedings in connection therewith;
- (D) Whether or not such person has ever been convicted in a criminal proceeding (excluding minor traffic violations) during the last ten years and, if so, give the date, nature of conviction, name and location of court, and penalty imposed or other disposition of the case.
- (E) Any other information as the Commissioner may deem necessary.

ITEM 3. Future plans of HMO.

- (A) Describe any plans or proposals, which the applicant may have, to declare an extraordinary dividend, to liquidate such HMO, to sell its assets to or merge it with any person or persons or to make any other material change in its business operations or corporate structure or management.
- (B) Provide a three year plan of operation which shall include but not be limited to marketing strategies by state, premium projections by state, information concerning proposed home or regional office locations and employment impact in Oklahoma.

ITEM 4. Regulatory history.

- (A) If any entities listed in Item 1(C) of this Form are required to be licensed by or registered with any federal, state or municipal governmental agency indicate such fact, and indicate the current status of such licensure or registration, and provide an explanation of any surrender, revocation, suspension or disciplinary proceedings in connection therewith having occurred during the preceding 5 years or which is currently pending.
- (B) If the applicant is required to be licensed by or registered with any federal, state or municipal governmental agency indicate such fact, and indicate the current status of such licensure or registration, and provide an explanation of any surrender, revocation,

Figure 3

suspension or disciplinary proceedings in connection therewith having occurred during the preceding 5 years or which is currently pending.

ITEM 5. Examination status.

Indicate the following:

- (A) Whether the applicant's domiciliary state, or any other state or jurisdiction in which the applicant is transacting the business of a health maintenance organization, is currently examining the applicant.
- (B) Whether the applicant's domiciliary state, or any other state or jurisdiction in which the applicant is transacting the business of a health maintenance organization has provided notice of intent to examine and if so provide an explanation regarding such proposed examination.
- (C) Provide detail as to the nature and type of examination listed in (A) and (B) of this paragraph.

ITEM 6. Rates and reserves.

Indicate the methodologies utilized by the applicant in establishing its rates and reserves. Also, provide the names, addresses, and professional qualifications of the individuals responsible for these functions. Specify if the individuals are outside consultants or employees of the applicant.

ITEM 7. Financial statements and other exhibits.

- (A) Financial statements and exhibits shall be attached to this Statement as an appendix, but list under this item the financial statements and exhibits so attached.
- (B) The financial statements shall include the following:
 - (1) Annual and quarterly financial statements of the applicant for the preceding five years.
 - (2) Annual financial statements of the person or persons who control the applicant pursuant to 36 O.S. § 1651(C) for the preceding three fiscal years (or for such lesser period as such person or persons and any predecessors thereof shall have been in existence), and similar information as of a date not earlier than ninety (90) days prior to the filing of the statement. Such financial statements need not be audited; except an audit may be required if the Commissioner determines an audit is necessary.
- (C) File as exhibits copies of all proposed tender offers for, requests or invitations for, tenders of, exchange offers for, and agreements to acquire or exchange any voting securities of the HMO or of any ultimate controlling party or parties and (if distributed) of additional soliciting material relating thereto:
 - (i) any proposed employment consultation, advisory or management contracts concerning the HMO;
 - (ii) annual reports to the stockholders of the HMO and the ultimate controlling party or parties for the last two fiscal years; and
 - (iii) any additional documents requested by the Commissioner.
- (D) File as exhibits all examination reports, whether financial, organizational, market conduct or otherwise, issued within the past five (5) years by the applicant's domiciliary

state, or any other state or jurisdiction in which the applicant transacts the business of a health maintenance organization.

(E) File as exhibits copies of any documents relating to any final orders or agreements entered into between the applicant or its affiliate and any regulatory body as disclosed in (4) of this section.

(F) And any other information as the Commissioner may deem necessary.

ITEM 8. Signature and certification

Signature and certification required as follows:

SIGNATURE

Pursuant to the requirements of O.A.C. 365:40-3-16, _____ has caused this application to be duly signed on its behalf, in the City of _____ and State of _____ on the ____ day of _____, 20____.

(SEAL)

Name of Applicant

BY: _____
(Name)

(Title)

Attest:

(Signature of Officer)

(Title)

CERTIFICATION

The undersigned deposes and says that (s)he has duly executed the attached application dated _____, 20____, for and on behalf of

_____; and that (s)he is the
(Name of Applicant)

(Title of Officer)

of such company and that (s)he is authorized to execute and file such instrument. Deponent further says that (s)he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his/her knowledge, information and belief.

(Signature) _____

(Type or print name beneath) _____

Sworn to and subscribed before me this ____ day of _____, 20____ by
_____.

Notary Public

My Commission Expires:

(SEAL)