

AN ACT concerning insurance.

**Be it enacted by the People of the State of Illinois,  
represented in the General Assembly:**

Section 5. The Illinois Insurance Code is amended by changing Section 136 as follows:

(215 ILCS 5/136) (from Ch. 73, par. 748)

Sec. 136. Annual statement.

(1) Every company authorized to do business in this State or accredited by this State shall file with the Director by March 1st in each year 2 copies of its financial statement for the year ending December 31st immediately preceding on forms prescribed by the Director, which shall conform substantially to the form of statement adopted by the National Association of Insurance Commissioners. Unless the Director provides otherwise, the annual statement is to be prepared in accordance with the annual statement instructions and the Accounting Practices and Procedures Manual adopted by the National Association of Insurance Commissioners. The Director shall have power to make such modifications and additions in this form as he may deem desirable or necessary to ascertain the condition and affairs of the company. The Director shall have authority to extend the time for filing any statement by any company for reasons which he considers good and sufficient. In

every statement the admitted assets shall be shown at the actual values as of the last day of the preceding year, in accordance with Section 126.7. The statement shall be verified by oaths of the president and secretary of the company or, in their absence, by 2 other principal officers. In addition, any company may be required by the Director, when he considers that action to be necessary and appropriate for the protection of policyholders, creditors, shareholders, or claimants, to file, within 60 days after mailing to the company a notice that such is required, a supplemental summary statement as of the last day of any calendar month occurring during the 100 days next preceding the mailing of such notice designated by him on forms prescribed and furnished by the Director. The Director may require supplemental summary statements to be certified by an independent actuary deemed competent by the Director or by an independent certified public accountant.

(2) The statement of an alien company shall embrace only its condition and transactions in the United States and shall be verified by the oaths of its resident manager or principal representative in the United States, except that in the case of any life company organized under the laws of Canada or any province thereof, the statement may be verified by the oaths of any of its principal officers designated for that purpose by its board of directors.

(3) For the information of the public generally the Director shall cause an abstract of the information contained

in the annual statement to be made available to the public as soon as practicable after filing with the Department, by printing those abstracts in pamphlet tabular form for free general distribution by the Department, or by such other publication in the city of Springfield or in the city of Chicago as may be reasonably necessary more fully to inform the public of the financial condition of companies transacting business in this State.

(4) Each domestic, foreign, and alien insurer authorized to do business in this State or accredited by this State shall participate in the National Association of Insurance Commissioners' Insurance Regulatory Information System, including the payment of all fees and charges of the system. Each company shall, on or before March 1 of each year, file with the National Association of Insurance Commissioners a copy of its annual financial statement along with any additional filings prescribed by the Director for the preceding year. The statement filed with the National Association of Insurance Commissioners shall be in the same format and scope as that required by this Code and shall include a signed jurat page and actuarial certification. Any amendments and addendums to the annual statement shall also be filed with the National Association of Insurance Commissioners. Each company shall also file with the National Association of Insurance Commissioners annual and quarterly financial statement information in computer readable format as required by the

Insurance Regulatory Information System. Failure of a company to file financial statement information in computer readable format shall subject the company to the provisions of Section 139.

(5) All financial analysis ratios and examination synopsis concerning insurance companies that are submitted to the Director by the National Association of Insurance Commissioners' Insurance Regulatory Information System are confidential and may not be disclosed by the Director.

(6) Every property and casualty insurance company doing business in this State, unless otherwise exempted by the Director, shall annually submit the opinion of an appointed actuary entitled "Statement of Actuarial Opinion". This opinion shall be filed in accordance with the appropriate National Association of Insurance Commissioners Property and Casualty Annual Statement Instructions.

(a) Every property and casualty insurance company domiciled in this State that is required to submit a Statement of Actuarial Opinion shall annually submit an Actuarial Opinion Summary, written by the company's appointed actuary. This Actuarial Opinion Summary shall be filed in accordance with the appropriate National Association of Insurance Commissioners Property and Casualty Annual Statement Instructions and shall be considered as a document supporting the Actuarial Opinion required in this subsection (6). Each foreign and alien

property and casualty company authorized to do business in this State shall provide the Actuarial Opinion Summary upon request.

(b) An Actuarial Report and underlying workpapers as required by the appropriate National Association of Insurance Commissioners Property and Casualty Annual Statement Instructions shall be prepared to support each Actuarial Opinion. If the insurance company fails to provide a supporting Actuarial Report or workpapers at the request of the Director or the Director determines that the supporting Actuarial Report or workpapers provided by the insurance company is otherwise unacceptable to the Director, the Director may engage a qualified actuary at the expense of the company to review the opinion and the basis for the opinion and prepare the supporting Actuarial Report or workpapers.

(c) The appointed actuary shall not be liable for damages to any person (other than the insurance company and the Director) for any act, error, omission, decision, or conduct with respect to the actuary's opinion, except in cases of fraud or willful misconduct on the part of the appointed actuary.

(d) The Statement of Actuarial Opinion shall be provided with the Annual Statement in accordance with the appropriate National Association of Insurance Commissioners Property and Casualty Annual Statement

Instructions and shall be treated as a public document. Documents, materials, or other information in the possession or control of the Director that are considered an Actuarial Report, workpapers, or Actuarial Opinion Summary provided in support of the opinion, and any other material provided by the company to the Director in connection with the Actuarial Report, workpapers or Actuarial Opinion Summary, must be given confidential treatment, are not subject to subpoena, and may not be made public by the Director or any other persons. This paragraph (d) shall not be construed to limit the Director's authority to release the documents to the Actuarial Board for Counseling and Discipline (ABCD), so long as the material is required for the purpose of professional disciplinary proceedings and that the ABCD establishes procedures satisfactory to the Director for preserving the confidentiality of the documents, nor shall this paragraph (d) be construed to limit the Director's authority to use the documents, materials or other information in furtherance of any regulatory or legal action brought as part of the Director's official duties. Neither the Director nor any person who received documents, materials, or other information while acting under the authority of the Director shall be permitted or required to testify in any private civil action concerning any confidential documents, materials, or information subject to this

subsection (6). Except where another provision of this Code expressly prohibits a disclosure of confidential information to the specific officials or organizations described in this subsection, the Director may:

(i) share documents, materials, or other information, including the confidential and privileged documents, materials or information subject to this paragraph (d) with the insurance department of any other state or country or with law enforcement officials of this or any other state or agency of the federal government at any time, as long as the agency or office receiving the document, material, or other information agrees in writing to hold it confidential and in a manner consistent with this Code;

(ii) receive documents, materials, or information, including otherwise confidential and privileged documents, materials, or information, from the National Association of Insurance Commissioners and its affiliates and subsidiaries, and from regulatory and law enforcement officials of other foreign or domestic jurisdictions, and shall maintain as confidential or privileged any document, material, or information received with notice or the understanding that it is confidential or privileged under the laws of the jurisdiction that is the source of the document, material, or information; and

(iii) enter into agreements governing sharing and use of information consistent with paragraph (d).

(e) No waiver of any applicable privilege or claim of confidentiality in the documents, materials or information shall occur as a result of disclosure to the Director under this Section or as a result of sharing as authorized in subparagraphs (i), (ii), and (iii) of paragraph (d) of subsection (6) of this Section. All 2008 Annual Statements, which are filed in 2009, and all subsequent Annual Statement filings shall be done in accordance with subsection (6) of this Section.

(Source: P.A. 90-418, eff. 8-15-97.)

Section 99. Effective date. This Act takes effect upon becoming law.