**Section 936.40 Notification Procedures**

a) A company having direct premium income for property and casualty business may be notified by the Director that supplemental reporting requirements must be met if the company meets one or more of the following categories:

1) the company has been exempted by the Director pursuant to Section 136 of the Illinois Insurance Code [215 ILCS 5/136] from filing the actuarial opinion for any reason as outlined in the appropriate National Association of Insurance Commissioners Annual Statement Instructions;

2) the company has greater than 30 percent of direct premium income from lines of business that have less than 10 years of experience reported in Schedule P of the Annual Statement; or

3) the Director believes that the financial condition of the company warrants additional monitoring.

b) The Director will notify, in writing, the companies that meet one or more of the conditions listed in subsection (a) of this Section. The Director's written notification shall include the reason the supplemental reporting is being required from the notified company.