

STANDARDS FOR SURETY AND FIDELITY FORMS AND RATES FILING

This checklist must be submitted with your filing in compliance with OAR 836-010-0011(2). It will help insurers make a complete filing. The checklist includes relevant statutes, rules, and bulletins. The standards, in some cases, are summaries. Review of the entire statute or rule may be necessary. By each statement, on the line provided, identify the page and paragraph in the form, rate, rule or exhibit that satisfies this requirement or check the box to verify compliance. Not including required information or policy provision may result in disapproval of the filing. If the statement is not included and is not required to be included, an “N/A” may be indicated. *(If submitting your filing electronically, bookmark the provision in the policy, rules, or exhibits that satisfy the requirement.)*

Market: Commercial
TOI (type of insurance) code: 10.0 Financial guaranty 23.0/24.0 Fidelity/surety
 23.0 Fidelity 24.0 Surety

Review requirements	Reference	Description of review standards requirements	Location of standard in filing (or check the box)	
GENERAL REQUIREMENTS (FOR ALL FILINGS)				
Filing submission	OAR 836-010-0011 As required on SERFF or our Web site	Required forms are located on SERFF or on our Web site at: www.oregoninsurance.org/docs/serff/filing_requirements.htm These must be submitted for your filing to be accepted as complete: 1. Transmittal form. 2. Cover letter (See transmittal form for instructions.) 3. Third-party filer’s letter of authorization. 4. Certificate of compliance form. 5. Product standards (this document). 6. Rates, rules and actuarial memorandum stating the reasons and procedures used to derive the rate change. 7. Forms filed for approval. 8. For mail filings, two self-addressed stamped envelopes, one in which the division can return approved forms.	Yes	N/A
			<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

Review	ORS 742.003(1) and 737.205	Included in this filing for review: 1. New policy or program 2. Endorsements amending an existing program that include additional coverages in these standards need only attach the pages addressing that area. 3. Rates and rules	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>
Applicability	ORS 742.048(2)	No policy has been issued or will be issued upon the forms in this filing until approved.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Limitations/ restrictions on transacting business	ORS 742.350(1)	An insurer executing bonds, undertakings, and fulfilling other obligations required by law is authorized to write surety.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	ORS 742.350(2)	The execution of any obligation is in all respects a full and complete compliance with every requirement.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	ORS 742.356(3)	All contracts of indemnity or security entered into are lawful and not otherwise prohibited by law or against public policy.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	ORS 742.368	A surety insurer executing any bond or undertaking under the provisions of the Insurance Code is estopped in any proceeding to deny its corporate power to execute such bond or undertaking or to assume such liability, and all such bonds or undertakings shall in any action be construed by the rules applicable to insurance policies and indemnity contracts.	Yes <input type="checkbox"/>	No <input type="checkbox"/>

FORMS

Access to courts	ORS 742.061	Attorney fees - If a claim settlement is not made within six months and action is brought to court, should the plaintiff's recovery exceed the amount of payment made by the defendant, the court will set attorney fees to be paid as part of the costs of legal action and any appeal, unless the parties agree to binding arbitration.		
Arbitration	ORS 36.600-36.740	Voluntary arbitration is permitted by the Oregon Constitution and statutes after all internal appeals have been exhausted and can be binding upon consent of the covered insured. <i>(If the policy provides for arbitration when claim settlement cannot be reached, the enrollee may elect arbitration by mutual agreement at the time of the dispute. Arbitration takes place under the laws of Oregon or another agreed-upon procedure. Arbitration must be held in the insured's county and state.)</i>		

Cancellation & nonrenewal	ORS 742.366(1)	As used in this section: (a) “Bond” means any undertaking, recognizance, or other obligation required by statute, ordinance, or regulation to be executed by a surety and given to a public body by any person as a condition to the granting of a permit, license, or franchise by a public body. (b) “Public body” means the state and any department, agency, board, or commission of the state, any city, county, school district, or other political subdivision or municipal or public corporation, any instrumentality thereof, and any court.	
	ORS 742.366(2)	In compliance with ORS 742.366(2), a statute, ordinance, regulation, or the provisions of a bond may provide procedures for release of surety on a bond.	
	ORS 742.366(3)	The surety may cancel a bond by sending notice of cancellation by registered or certified mail to the public body with which the bond is filed and to the principal at the principal's address of record with the surety. The cancellation takes effect on the date specified in the notice but not earlier than the 30th day after the date of mailing. The surety shall have no liability under the bond for an act or default occurring after the effective date of such cancellation.	
Legibility of forms	ORS 742.005(2)	The forms are clear and understandable in the presentation of premiums, labels, description of contents, title, headings, backing, and other indication (including restrictions) in the provisions. The information is clear and understandable to the consumer and is not unintelligible, uncertain, ambiguous, abstruse, or likely to mislead.	Yes <input type="checkbox"/> No <input type="checkbox"/>
Loss settlements	ORS 742.053	The policy states that the insurer will furnish a claim form within 15 days after notice of claim or will accept the filing of proof-of-loss covering the occurrence, character, and extent of loss.	
Policy documentation	ORS 742.370	Whenever any person is required by the provisions of any statute to give a bond to this state or any of its political subdivisions and the statute requires to be included therein any specific provisions, the bond shall have the same legal effect as though such provisions were included therein, although such provisions were omitted.	
RATE, RULE, RATING PLAN, CLASSIFICATION, AND TERRITORY FILING REQUIREMENTS			
Filing submission	ORS 737.205	Submit copies of rates, rating plans, and rating systems must be filed.	Yes <input type="checkbox"/> No <input type="checkbox"/>

	ORS 737.205(1)	Effective date is not earlier than the date the filing is received by the insurance division.	Yes <input type="checkbox"/> No <input type="checkbox"/>
Discrimination	ORS 746.015, OAR 836-081-0010	Rates, rating plans, and rating systems do not discriminate unfairly in the availability of insurance and application of rates.	Yes <input type="checkbox"/> No <input type="checkbox"/>
Rebates	ORS 746.035 and 746.045	Are inducements or rebates specified in the policy? (If “yes,” explain in the cover letter and identify the location in the rule.)	Yes <input type="checkbox"/> No <input type="checkbox"/>
Ratemaking generally			
Credibility	ORS 737.310 and OAR 836-010-0021	1. Provide all data used and judgments made. 2. Provide description of methodology used.	
Fees, service charges, taxes	ORS 737.310 and OAR 836-010-0021	Provide cost-accounting justification on initial filings and subsequent changes.	
Loss valuation	ORS 737.310 and OAR 836-010-0021	Provide complete premium data.	
		Provide loss and LAE data.	
		Provide information on the expected loss ratio.	
Investment income	ORS 737.310 and OAR 836-010-0021	1. Cash flow method <i>or</i> 2. Alternative method showing amount of investment income earned on loss, LAE, and unearned premium reserve to earned premium.	
Underwriting profit & contingencies	ORS 737.310 and OAR 836-010-0021	1. Oregon data for commission and brokerage.	
		2. Countrywide data for general and other acquisition expenses as reported in the <i>Insurance Expense Exhibit</i> .	
		3. Oregon data for taxes, licenses, and fees.	
		4. Historic experience	