

Overview

Sonnenschein's Insurance Regulatory Practice advises financial services clients in virtually every segment of the insurance industry: property and casualty, life and health, title, managed care, reinsurance, insurance holding companies, risk retention groups, mutuals, insurance agencies and brokerages, third party administrators, regulatory agencies, risk managers and trade groups. We help regulated entities manage their operations, address current issues and undertake strategic planning. We work closely with our clients to deliver responsive and practical solutions to the ever-changing issues in today's complex marketplace. Our high standards, expertise and exemplary service have made us one of the most sought-after firms for insurance regulatory needs.

In 2008, we won the *Chambers Award for Excellence in Insurance*. The award recognizes our regulatory and litigation work on behalf of clients in the insurance industry and further confirms our reputation as a world-class provider of legal services.

Relationships With Both Clients and Regulators

Sonnenschein's Insurance Regulatory Practice includes eight former high-ranking officials of state insurance departments (California, Illinois, Missouri, Hawaii, Washington and West Virginia). These highly knowledgeable professionals include a former California deputy insurance commissioner and chief of enforcement, a former California deputy commissioner and general counsel, a former division chief and chief financial analyst, and a former California senior staff counsel. The group also includes former in-house counsel for major insurers, ensuring a balanced perspective from regulatory advisors. Completing the group's roster is a team of highly regarded and seasoned administrative law and insurance regulatory specialists. Our attorneys have a presence in several states, and we work in all U.S. jurisdictions. Members of our group serve on a variety of insurance industry advisory committees and are active in the proceedings of the National Association of Insurance Commissioners (NAIC).

We interact frequently with the regulators who oversee the insurance industry throughout the country, and in Asia, Europe and Middle East. Our familiarity with both state regulators and international insurance supervisors allows us to anticipate the positions they will take and the issues they will raise on an array of topics. Our experience allows us to propose solutions to these positions and alternatives to the regulatory obstacles our clients face. When regulators question a client's business practices, we defend the client and assist in reaching swift resolutions that address legal, practical and business issues.

Benefits to You

We provide a broad spectrum of legal, financial and market analysis services to our clients. Our experience includes: complex mergers and acquisitions, public and private securities offerings, mutual restructurings, reorganization, insolvencies and rehabilitations, regulatory and legislative matters, litigation, market conduct proceedings, affiliated transactions, financing, reinsurance, surplus lines, home protection, title insurance, licensing and tax matters. Insurance organizations and insurance regulatory agencies rely on us to assist them in matters ranging from regulatory law to corporate transactions, class action defense to arbitrations, coverage issues to antitrust. Our team of more than 100 lawyers helps ensure your success in finding solutions to the problems you face every day as insurers, reinsurers and other regulated insurance entities.

Insurance Regulatory Practice

Our Services

Regulatory Compliance and Privacy Issues

- Proactive regulatory compliance reviews of claims, rating, underwriting and marketing operations
- Product development, including policy and rule drafting or review and related regulatory approval
- Advise and counsel regarding the sale and marketing of insurance over the Internet, including licensing and compensation requirements and restrictions
- Counsel on day-to-day regulatory issues and procedures
- Representation of clients with respect to compliance matters related to financial guaranty insurance and “excess deposit” commercial surety bond products
- Training and certification in mandatory compliance areas, such as unfair claims practices, unfair trade practices and special investigation unit regulations
- Advise on Sarbanes-Oxley compliance issues
- Advise regarding compliance with Gramm-Leach-Bliley, HIPAA, Fair Credit Reporting and state law requirements
- Advise and counsel regarding Holding Company Act compliance and related issues
- Advise regarding international regulatory issues, including World Trade Organization initiatives and international insurance regulation
- Assist in strategy for the management of single-state market conduct and multi-state examinations
- Advise in preparing for and conducting electronic discovery
- Advise on all phases of document retention and management policies
- Advise on insurance rate approval and related processes

Mergers and Acquisitions, Formations, Reorganizations and Asset Transfer Transactions

- Advise and counsel regarding mergers, acquisitions, divestitures, reorganizations, liquidations and redomestications of insurers and other industry participants
- Formation and licensing of insurers, reinsurers, managed care organizations, domestic and foreign captives, producers and other regulated entities
- Advise on transactional and risk management
- Conversion of mutual insurers to stock companies or other forms of corporate structures
- Strategic advice concerning acquisition or transfer of assets of troubled companies

Administrative and Court Litigation

- Representation of clients before state insurance regulators in connection with administrative proceedings, such as hearings on rate applications, Orders to Show Cause and Notices of Non-Compliance
- Prosecution of suits seeking to challenge adverse administrative actions or positions

Insurance Regulatory Practice

Legislative and Administrative Advocacy

- Tracking and advocacy regarding legislative initiatives and enactments affecting insurers' lines of business and advice and counsel on implementation of recent enactments
- Counsel regarding legislative strategy, including bill drafting and representation before state and congressional legislative committees
- Tracking and advocacy in rulemaking proceedings before individual insurance departments and the NAIC
- Serving as expert witness on regulatory or insurance topics

HMO Regulation

- Advise and counsel on all aspects of HMO regulation, including product development, market conduct and financial examinations, acquisitions and dispositions of blocks of business and change of control filings
- Formations, mergers and acquisitions of HMOs
- Advise and counsel regarding general compliance issues

Enforcement Intervention

- Representation of clients before state insurance regulators in connection with market conduct, financial and unfair trade practices examinations
- Representation of administrators' and employers' welfare arrangements under ERISA in unauthorized entity investigations
- Review of remedial measures taken in response to enforcement

Reinsurance Counseling and Arbitration

- Counsel regarding product design, including drafting of manuscript reinsurance agreements and slips and other alternative risk transfer mechanisms
- Advise and counsel on loss portfolio transactions, commutations and commutation proposals, assumption agreements and novations and related regulatory approvals
- Prosecution and defense of reinsurance arbitrations
- Advise and counsel regarding security for reinsurance and reinsurer accreditation
- Advise in the development of domestic and off-shore captive facilities and the negotiation of related reinsurance agreements

Insolvency Counseling

- Strategic counseling regarding risk-based capital requirements and potential adverse regulatory outcomes
- Strategic counseling for troubled insurers and/or their affiliates and reinsurers
- Strategic counseling of insurers with respect to insolvent policyholders

Insurance Regulatory Practice

- Representation of liquidators of insolvent insurance companies
- Representation of creditors of insolvent insurers, their parent company and affiliates in state liquidation, conservatorship proceedings or bankruptcy proceedings
- Defense of fraudulent conveyance or preferential transfer actions
- Representation of “purchasers” of claims against, and distressed assets of, insolvent insurers

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