

## CHAPTER 45-03-20 ANNUAL FINANCIAL REPORTING MODEL REGULATION

### 45-03-20-12. Definition, availability, and maintenance of independent certified public accountant workpapers.

1. Workpapers are the records kept by the independent certified public accountant of the procedures followed, the tests performed, the information obtained, and the conclusions reached pertinent to the independent certified public accountant's audit of the financial statements of an insurer. Workpapers, accordingly, may include audit planning documentation, work programs, analyses, memoranda, letters of confirmation and representation, abstracts of company documents, and schedules or commentaries prepared or obtained by the independent certified public accountant in the course of the accountant's audit of the financial statements of an insurer and which support the accountant's opinion thereof.
2. Every insurer required to file an audited financial report under this chapter, shall require the accountant to make available for review by insurance department examiners, all workpapers prepared in the conduct of the accountant's audit and any communications related to the audit between the accountant and the insurer, at the offices of the insurer, at the insurance department, or at any other reasonable place designated by the commissioner. The insurer shall require that the accountant retain the audit workpapers and communications until the insurance department has filed a report on examination covering the period of the audit but no longer than seven years from the date of the audit report.
3. In the conduct of the aforementioned periodic review by the insurance department examiners, ~~it must be agreed that photocopies of pertinent audit workpapers may be made and retained by the department.~~ the department may obtain copies of workpapers and may retain the copies. If copies of work papers are requested in electronic format, the electronic copies must be as fully functional as the original documents. Password protection of the storage medium used to transmit electronic work papers is acceptable in order to securely transfer electronic workpapers to the commissioner. Passwords on individual electronic workpapers, or passwords that disable features of individual electronic workpapers, are not permitted. Such reviews by the department examiners must be considered investigations and all working papers and communications obtained during the course of the investigations must be afforded the same confidentiality as other examination workpapers generated by the department.

**History:** Effective October 1, 1995; amended effective April 1, 2010, July 1, 2026.

**General Authority:** NDCC 28-32-02

**Law Implemented:** NDCC 26.1-03-07, 26.1-03-11.1