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LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
12/07/2011	.	
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The Committee on Banking and Insurance (Richter) recommended the following:

Senate Amendment

Delete lines 168 - 202
and insert:

(III) In order to obtain approval for a plan, the surplus lines insurer must file the following with the office:

(A) Information requested by the office to demonstrate compliance with s. 624.404(3), including biographical affidavits, fingerprint cards, and the results of a criminal history records checks for officers and directors of the insurer and its parent or holding company;

(B) A service-of-process consent and agreement form



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13 executed by the insurer;

14 (C) Proof that the insurer has been an eligible or
15 authorized insurer for not less than 3 years;

16 (D) A duly authenticated copy of the insurer's current
17 audited financial statement, in English, with all monetary
18 values therein expressed in United States dollars, at an
19 exchange rate then current and shown in the statement, in the
20 case of statements originally made in the currencies of other
21 countries, and with such any additional information relative to
22 the insurer as the office may request;

23 (E) A complete certified copy of the latest official
24 financial statement required by the insurer's domiciliary state,
25 if different from sub-sub-sub-subparagraph (D); and

26 (F) A copy of the United States trust account agreement, if
27 applicable.

28
29 This sub-sub-subparagraph does not subject any surplus lines
30 insurer to requirements in addition to part VIII of chapter 626.
31 Surplus lines brokers making an offer of coverage under this
32 sub-subparagraph are not required to comply with s.
33 626.916(1)(a), (b), (c), and (e).

34 (IV) Within 10 days after the date of assumption, the
35 surplus lines insurer assuming policies from the corporation
36 must remit a special deposit equal to the unearned premium net
37 of unearned commissions on the assumed block of business to the
38 Bureau of Collateral Securities within the Department of
39 Financial Services. The surplus lines insurer must submit to the
40 office, along with the initial deposit, an accounting of the
41 policies assumed and the amount of unearned premium for such



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42 policies and a sworn affidavit attesting to its accuracy by an
43 officer of the surplus lines insurer. Thereafter, the surplus
44 lines insurer must make a filing within 10 days after each
45 calendar quarter attesting to the unearned premium in force for
46 the previous quarter on policies assumed from the corporation,
47 and must submit additional funds if the special deposit is
48 insufficient to cover the unearned premium on assumed policies,
49 or must receive a return of funds within 60 days if the special
50 deposit exceeds the amount of unearned premium required for
51 assumed policies. The special deposit is an asset of the surplus
52 lines insurer which is held by the department for the benefit of
53 state policyholders of the surplus lines insurer in the event of
54 the insolvency of the surplus lines insurer. If an order of
55 liquidation is entered in any state against the surplus lines
56 insurer, the department may use the special deposit for payment
57 of unearned premium or policy claims, return all or part of the
58 deposit to the domiciliary receiver, or use the funds in
59 accordance with any action authorized under part I of chapter
60 631 or in compliance with any order of a court having
61 jurisdiction over the insolvency.

62 (V) Surplus lines brokers representing a surplus lines