Rules of
Department of Insurance
Division 200—Financial Examination
Chapter 6—Surplus Lines

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PURPOSE: This rule prescribes forms to be followed in making filings pursuant to sections 384.031 and 384.057, RSMo and effectuates or aids in the interpretation of sections 384.017(2), 384.031 and 384.057, RSMo.

(1) Forms.
(A) Appendix 1 of this rule is the form prescribed by the director for the confidential written report required by section 384.031, RSMo.
(B) Appendix 3 of this rule is the form prescribed by the director for the annual report required by section 384.057, RSMo.

(2) Proof of filing will be provided to the surplus lines licensee making the filings if the surplus lines licensee encloses a duplicate copy of filings and a self-addressed, stamped envelope.


APPENDIX 1

MISSOURI DEPARTMENT OF INSURANCE SURPLUS LINES FILING

STATE OF MISSOURI—DEPARTMENT OF INSURANCE
P.O. BOX 690, JEFFERSON CITY, MO 65102

(SUBMIT IN DUPLICATE)

RISK #_____________________________________________________

SURPLUS LINE INSURER AND SURPLUS LINES LICENSEE
% OF PARTICIPATION

SURPLUS LINE INSURER AND PRODUCING BROKER
% OF PARTICIPATION

1. NAME AND ADDRESS OF INSURED: __________________________________________________________

2. COMPLETE DESCRIPTION OF RISK AND ITS LOCATION: __________________________________________________________

3. COMPLETE DESCRIPTION OF COVERAGE (no abbreviation): __________________________________________________________

4. SPECIFIC REASON FOR SURPLUS LINES PLACEMENT: __________________________________________________________

5. IF MULTI-STATE RISK, ALLOCATION BASIS MUST BE ATTACHED.

6. POLICY NUMBER ______________________ DATE EFFECTIVE ______________________

DATE TERMINATES ______________________ PREMIUM EFFECTIVE ______________________
(If multi-state coverage, attach tax allocation basis)

7. IF NOT A DIRECT PLACEMENT WITH SURPLUS LINES INSURER(S), NAME AND ADDRESS OF AMERICAN BROKERAGE FIRM OF LLOYD’S CORRESPONDENT:

____________________________________________________________________________________________________________________

NAME                                                                                          ADDRESS
********************

THIS PORTION TO BE USED FOR AMENDED FILINGS ONLY

(Fill in above: RISK #, SURPLUS LINES LICENSEE’S NAME and NAME AND ADDRESS OF INSURED)

THE FOLLOWING INFORMATION IS HEREBY MADE A PART OF THE ABOVE NUMBERED ORIGINAL FILING

ADDITIONAL PREMIUM ______________________ DATE EFFECTIVE ______________________

RETURN PREMIUM ______________________ DATE EFFECTIVE ______________________

ADDITIONAL INFORMATION NOT SUBMITTED ON ORIGINAL FILING: __________________________________________________________

____________________________________________________________________________________________________________________

**************

I DO HEREBY CERTIFY TO THE BEST OF MY KNOWLEDGE, THAT THE ABOVE IS A TRUE AND ACCURATE RECORD OF THE SURPLUS LINES INSURANCE PROCURED PURSUANT TO CHAPTER 384, RSMO ______________________________________

______________________________________________________ __________________________________________________________
DIRECTOR OF INSURANCE SURPLUS LICENSEE’S BROKER’S SIGNATURE

FILED:_______________________________________________

THIS FORM IS DUE WITHIN THIRTY (30) DAYS OF THE EFFECTIVE DATE OF COVERAGE.
APPENDIX 3
SURPLUS LINES LICENSEE'S TAX REPORT
STATE OF MISSOURI--DEPARTMENT OF INSURANCE
P.O. BOX 690, JEFFERSON CITY, MO 65102

UNDER PROVISIONS OF THE MISSOURI SURPLUS LINES LAW, CHAPTER 384, RSMo, THIS REPORT IS FOR THE TWELVE (12)-MONTH PERIOD ENDING ____________, ___________ FOR THE INSURANCE PLACED IN COMPANIES NOT ADMITTED TO DO BUSINESS IN THE STATE OF MISSOURI. THIS REPORT MUST BE MADE BEFORE MARCH 2 OF THE YEAR NEXT SUCCEEDING THE YEAR IN WHICH THE INSURANCE WAS SO PROCURED.

NAME __________________________________________

(LAST) (FIRST) (MIDDLE)

ADDRESS ________________________________________

(STREET) (CITY) (STATE) (ZIP CODE)

RISK NUMBER NAME AND ADDRESS OF INSURED DEBIT CREDIT

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Total Debits
Less Credits
NET PREMIUMS

TAX DUE ON NET PREMIUMS (5%) $__________________

STATE OF ____________________________ ) SS.

COUNTY OF ____________________________ )

__________________________________________ BEING DULY SWORN UPON HIS OATH ACCORDING TO LAW STATES THAT THE FOREGOING REPORT(S) IS TRUE ACCORDING TO HIS BEST KNOWLEDGE AND BELIEF.

SURPLUS LINES LICENSEE'S SIGNATURE

SUBSCRIBED AND SWORN TO BEFORE ME THIS _______ DAY OF ________________________, ___________

MY TERM EXPIRES ________________________________

(NOTARY PUBLIC)
20 CSR 200-6.200 Surplus Lines Advisory Organizations


20 CSR 200-6.300 Surplus Lines Insurance Fees and Taxes

PURPOSE: This rule clarifies and effects the provisions of Chapter 384, RSMo as amended by Senate Bill 250 in the First Regular Session of the 85th General Assembly with regard to the premium charged by surplus lines insurers. This rule is pursuant to the provisions of sections 374.045, 384.051, 384.057 and 384.059, RSMo.

(1) For purposes of determining net premiums, as that term is used in sections 384.051, 384.057 and 384.059, RSMo, the gross amount of charges for surplus lines insurance shall include any fee charged to the insured and paid to the surplus lines insurer for the placement of the surplus lines insurance.

(2) The fees may include, but are not limited to, policy fees, inspection fees, fees charged by an insurance producer acting as a managing general agent for a surplus lines insurer or any other fee charged by surplus lines insurer for the placement of surplus lines insurance.

(3) All fees charged to the insured by the surplus lines insurer shall be considered premium for purposes of the premium tax imposed by sections 384.051 and 384.059, RSMo.

(4) Fees paid by an insured to an insurance producer and retained by an insurance producer pursuant to an insurance producer service agreement as permitted by 20 CSR 700-1.100 shall not be considered premium for purposes of the premium tax imposed by sections 384.051 and 384.059, RSMo.

AUTHORITY: sections 374.045, 384.051, 384.057 and 384.059, RSMo 2000.*

20 CSR 200-6.400 Surplus Lines Premium Tax Allocation Formulas

PURPOSE: This rule implements the surplus lines premium tax allocation provisions contained in section 384.061, RSMo.

(1) For purposes of determining the amount of premium properly allocable to that portion of the risk located in this state pursuant to the provisions of section 384.061, RSMo, the following formulas shall be used where applicable:

(A) Products Liability = Missouri Sales Revenue
Total Sales Revenue

(B) Fire and Extended Coverage = Missouri Property Value
All Property Value

(C) Employee Liability = Missouri Salaries Paid
All Salaries Paid

and

(D) Transportation Insurance = Missouri Revenue Miles
All Revenue Miles

(2) To the extent that the formulas contained in section (1) are inapplicable or do not adequately reflect that portion of the risk located within this state, the tax payable shall be computed on the portions of the premium properly allocable to that portion of the risks located in this state. The formula may be based on the rating basis for the particular policy. The surplus lines licensee shall obtain the approval of the director prior to the use of any other formula for determining the amount of premium allocable to that portion of the risk located within this state.


20 CSR 200-6.600 Licensing Requirements

PURPOSE: The purpose of this rule is to prescribe procedures to be followed in assessing the required bond amount posted with the department by, and the licensing of, a surplus lines licensee pursuant to section 384.043, RSMo.

(1) Examination Requirements. As used in section 384.043, RSMo, the qualifying examination for a nonresident who holds a surplus lines license in his/her home state shall be the home state’s surplus lines examination or the home state’s fire and casualty examination, whichever is applicable. If the applicant does not hold a surplus lines license in his/her home state, the qualifying examination shall be the Missouri surplus lines examination.

(2) Bonding Requirement. Every licensee required to post a bond with the director pursuant to section 384.043.2(4), RSMo, shall conduct an annual review of the licensee’s tax liability required by section 384.057, RSMo, for the previous tax year to determine the appropriate amount of the bond to be posted with the director as required by section 384.043.2(4), RSMo. If such review indicates that a change in bond amount is required, an updated bond shall be filed with the department before April 16 of each year.

with the licensee’s annual premium tax payment made pursuant to section 384.059, RSMo. Should tax liability for the previous year change after April 16, an updated bond to reflect the new tax liability shall be filed within thirty (30) days after notification from the Department of Insurance.

(3) In assessing the amount of tax liability to be considered for purposes of section 384.043.2(4), RSMo, a licensee shall consider his/her tax liability in their home state for the previous tax year. Licensees who have incurred tax liability in the state of Missouri during the previous tax year shall utilize their tax liability in the state of Missouri to determine the amount of the bond required by section 384.043.2(4).

AUTHORITY: section 374.045, RSMo 2000.*