

§2007. Eligible surplus lines insurers

1. A producer may not knowingly place surplus lines insurance with an insurer that is unsound financially or that is ineligible under this section.

[PL 1997, c. 592, §54 (AMD).]

2. The superintendent shall from time to time publish a list of all surplus lines insurers determined by the superintendent to be eligible currently, and shall mail a copy of such list to each producer at the producer's office last of record with the superintendent. This subsection may not be construed to cast upon the superintendent the duty of determining the actual financial condition or claims practices of any unauthorized insurer; and the status of eligibility, if granted by the superintendent, may indicate only that the insurer appears to be sound financially and to have satisfactory claims practices, and that the superintendent has no credible evidence to the contrary. While any such list is in effect, the producer shall restrict to the insurers so listed all surplus lines business placed by the producer.

[PL 1997, c. 592, §54 (AMD).]

3. The superintendent shall approve a United States insurer's request for eligibility if the insurer:

A. Is authorized to write such insurance in its domiciliary jurisdiction; [PL 2011, c. 331, §4 (NEW); PL 2011, c. 331, §§16, 17 (AFF).]

B. Has established satisfactory evidence of good repute and financial integrity; and [PL 2011, c. 331, §4 (NEW); PL 2011, c. 331, §§16, 17 (AFF).]

C. Maintains capital and surplus, or its equivalent under the laws of its state of domicile, in an amount at least equal to the greater of:

(1) The minimum capital and surplus that would be required if the insurer were licensed in this State; and

(2) \$15,000,000. [PL 2011, c. 331, §4 (NEW); PL 2011, c. 331, §§16, 17 (AFF).]

[PL 2011, c. 331, §4 (NEW); PL 2011, c. 331, §§16, 17 (AFF).]

4. The superintendent may list an insurer as eligible if it does not meet the minimum capital and surplus requirements of subsection 3 upon an affirmative finding of acceptability by the superintendent. The finding must be based upon such factors as quality of management, capital and surplus of any parent company, company underwriting profit and investment income trends, market availability and company record and reputation within the industry. The superintendent may not make an affirmative finding of acceptability if the nonadmitted insurer's capital and surplus is less than \$4,500,000.

[PL 2011, c. 331, §4 (NEW); PL 2011, c. 331, §§16, 17 (AFF).]

5. A non-United States insurer is considered eligible to write insurance on an unauthorized basis in this State if it is listed on the quarterly listing of alien insurers maintained by the National Association of Insurance Commissioners.

[PL 2011, c. 331, §4 (NEW); PL 2011, c. 331, §§16, 17 (AFF).]

SECTION HISTORY

PL 1969, c. 132, §1 (NEW). PL 1973, c. 585, §12 (AMD). PL 1997, c. 592, §54 (AMD). PL 2011, c. 331, §4 (AMD). PL 2011, c. 331, §§16, 17 (AFF).

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