

304.10-070 Eligible surplus lines insurers.

- (1) A broker shall place surplus lines insurance only with an insurer that he or she knows, or in the exercise of reasonable diligence could know:
 - (a) Is authorized to write the type of insurance in its domiciliary jurisdiction;
 - (b) Has capital and surplus or its equivalent under the laws of its domiciliary jurisdiction that equals the greater of:
 1. The minimum capital and surplus requirements set forth in KRS 304.3-120; or
 2. Fifteen million dollars (\$15,000,000); and
 - (c) Is listed on the quarterly listing of alien insurers maintained by the National Association of Insurance Commissioners, if the insurer is a nonadmitted insurer domiciled outside of the United States.
- (2) A broker may:
 - (a) Place insurance covering certificates of investment with an insurance company or guarantee fund which is financially sound and has capital funds and reserves in excess of fifteen million dollars (\$15,000,000); and
 - (b) Place insurance with a United States insurance exchange which the commissioner, in his or her discretion, may designate for use by surplus lines brokers licensed by the Commonwealth of Kentucky.
- (3) The commissioner may declare that a surplus lines insurer is ineligible to transact business in Kentucky. The commissioner shall promptly mail notice of all declarations of ineligibility to each surplus lines broker if at any time the commissioner has reason to believe that a surplus lines insurer no longer meets the standards set forth in this subtitle.

Effective: July 12, 2012

History: Amended 2012 Ky. Acts ch. 74, sec. 8, effective July 12, 2012. -- Amended 2010 Ky. Acts ch. 24, sec. 1093, effective July 15, 2010. -- Amended 2000 Ky. Acts ch. 393, sec. 39, effective July 14, 2000. -- Amended 1986 Ky. Acts ch. 437, sec. 15, effective July 15, 1986. -- Amended 1984 Ky. Acts ch. 207, sec. 1, effective July 13, 1984. -- Amended 1982 Ky. Acts ch. 123, sec. 8, effective July 15, 1982. -- Amended 1978 Ky. Acts ch. 262, sec. 1, effective June 17, 1978. -- Created 1970 Ky. Acts ch. 301, subtit. 10, sec. 7, effective June 18, 1970.