

191—21.5 (515) Procedures for qualification and renewal of a nonadmitted insurer as a qualified surplus lines carrier.

21.5(1) *Application and procedures for initial qualification of a nonadmitted insurer as a qualified surplus lines carrier.*

a. Any insurer who wishes to qualify under Iowa Code section 515.120 as a nonadmitted insurer shall make an application.

b. The application shall contain the following information, which also is listed on the division's Web site, www.iid.state.ia.us:

(1) A completed NAIC UCAA Expansion Application, available through the division's Web site, www.iid.state.ia.us, or through the NAIC Web site, www.naic.org/industry.

(2) A designation of a licensed Iowa resident producer qualified to write excess and surplus lines insurance.

(3) Remittance of the greater of a \$100 filing fee or a retaliatory fee, and a \$500 examination fee for all new applicants.

c. In addition to the above requirements, the insurer shall:

(1) Maintain the greater of either minimum capital and surplus of \$5 million or risk-based capital pursuant to Iowa Code chapter 521E, and

(2) Have been actively in operation for at least three years without significant changes in ownership or management during the three-year period.

These financial and management requirements may be waived by the division upon a finding that the insurer will be offering coverage in a line of insurance for which there is an unavailability of capacity and an extraordinary need for coverage in this state. The division may require other information as deemed necessary.

21.5(2) *Procedures for renewal of a nonadmitted insurer as a qualified surplus lines carrier.* A nonadmitted insurer that is not an alien insurer as defined in Iowa Code section 515.70 and that met the division's requirements for becoming a qualified surplus lines carrier shall, by March 1 of each year following the year of qualification:

a. Continue to comply with paragraph 21.5(1) "c";

b. Pay a \$100 renewal fee; and

c. Submit to the division the documents and materials listed on the division's Web site, www.iid.state.ia.us.

21.5(3) *Failure to comply.* Failure of a nonadmitted insurer to timely submit the materials required in this rule or to otherwise fail to comply with this rule shall result in the termination of the nonadmitted insurer's status as a qualified surplus lines carrier.