

**191—21.5(515I) Procedures for qualification and renewal as an eligible surplus lines insurer.****21.5(1) Application and procedures for initial qualification as an eligible surplus lines insurer.**

a. Any nonadmitted insurer or domestic surplus lines insurer that wishes to qualify under Iowa Code chapter 515I as an eligible surplus lines insurer must make an application with the division in a format prescribed by the division, as instructed on the division's website.

b. The application must include:

(1) The name of an Iowa resident surplus lines insurance producer whom the insurer is designating as the person to accept inquiries and notices on behalf of the insurer.

(2) Payment of the greater of a \$100 filing fee or a retaliatory fee, and an examination fee for all new applicants.

(3) Demonstrated maintenance of the capital and surplus required pursuant to Iowa Code chapter 515I.

**21.5(2) Procedures for renewal of an insurer as an eligible surplus lines insurer.** An eligible surplus lines insurer that was approved by the division as an eligible surplus lines insurer, except for an alien insurer under Iowa Code section 515I.2(8) "b," must by March 1 of each year following the year of approval:

a. Be in compliance with subparagraph 21.5(1) "b"(3);

b. Pay the greater of a \$100 renewal fee or a retaliatory fee; and

c. Submit to the division the documents and materials listed on the division's website.

**21.5(3) Periodic reporting.** An eligible surplus lines insurer, except for an alien insurer under Iowa Code section 515I.2(8) "b," must submit annual and quarterly financial statements to the division as instructed on the division's website.

**21.5(4) Failure to comply with renewal procedures.** An eligible surplus lines insurer that fails to timely file an application for renewal as an eligible surplus lines insurer or fails to provide requested information shall pay a late fee of \$500.

**21.5(5) Failure to timely file financial statements.** An eligible surplus lines insurer that fails to file a financial statement, as instructed on the division's website, shall pay a late fee of \$500. The commissioner may give notice to an insurer that fails to timely file that the insurer is in violation of this subrule. If the insurer fails to file the required financial statements within ten days of the date of the notice, the insurer shall pay an additional late fee of \$100 for each day the failure continues.

**21.5(6) Failure to comply with this rule.** An eligible surplus lines insurer's authority to transact new business in this state shall immediately cease until the insurer has fully complied with this rule, including paying all applicable late fees.

**21.5(7) Suspension.** The commissioner may order the suspension of an eligible surplus lines insurer's authority to transact the business of insurance within the state, after notice and hearing pursuant to Iowa Code chapter 17A, if the eligible surplus lines insurer fails to fully comply with this rule within 90 days, including paying all applicable late fees.

[ARC 7737C, IAB 3/20/24, effective 4/24/24]