



# INSURER

# PROCEDURES MANUAL

NOVEMBER 2024



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The purpose of the Insurer Procedures Manual is to provide information regarding statutory compliance filings for all surplus lines insurers operating in the state of Florida.

This manual consists of information regarding the formation of the Florida Surplus Lines Service Office (FSLSO), contact information, insurer filing requirements and useful tools located on the FSLSO website. This manual is subject to revisions as information/requirements change.

Please read through the manual and do not hesitate to call the FSLSO if you have any questions or need assistance with any of the requirements.

## **I. History of the Florida Surplus Lines Service Office (FSLSO)**

On October 1, 1997, the Florida Legislature adopted the Florida Statute §626.921, establishing the Florida Surplus Lines Service Office (FSLSO) as a self-regulating, not-for-profit association in which all Florida licensed surplus lines agents are recognized as members.

The mission of the Florida Surplus Lines Service Office (FSLSO) is to facilitate compliance. We provide assistance and information regarding the Florida surplus lines marketplace.

The purposes of FSLSO, as established by Florida Statute include:

- Protecting consumers seeking insurance in this state;
- Permitting surplus lines insurance to be placed with eligible surplus lines insurers;
- Promoting and permitting orderly access to surplus lines insurance in the state of Florida;
- Enhancing the number and types of insurance products available to consumers in the state of Florida;
- Providing a source of advice and counsel for the benefit of consumers;
- Providing a source of advice and counsel for the benefit of surplus lines agents in their compliance with the Florida Insurance Code;
- Providing a source of advice and counsel for the benefit of insurers in their compliance with the Florida Insurance Code;
- Providing a source of advice to government agencies concerning the operation of the surplus lines insurance market; and
- Protecting the revenues of the state of Florida.

FSLSO was the first paperless Service Office in the country to receive and review all surplus lines placements electronically. In addition, it has created a state-of-the-art, easy to use



proprietary software program to service the reporting responsibilities between the industry and regulators. A variety of services have been developed, such as a user-friendly website and an electronic bulletin, to inform members and interested parties of current events and issues.

FSLSO staff carries out the responsibilities as a service organization by setting and maintaining high quality standards for assistance, education and protection.

## II. Contact Information

### **Florida Surplus Lines Service Office**

1441 Maclay Commerce Drive, Suite 200  
Tallahassee, FL 32312  
800-562-4496 option 2  
850-224-7676, local  
850-513-9624 (fax)  
[www.fslso.com](http://www.fslso.com)  
[insurer.services@fslso.com](mailto:insurer.services@fslso.com)

### **Florida Office of Insurance Regulation**

Bureau of Property & Casualty  
Insurer Solvency  
200 East Gaines Street  
Tallahassee, FL 32399-0330  
[www.floir.com](http://www.floir.com)

### **Florida Department of Financial Services**

200 East Gaines Street  
Tallahassee, FL 32399-0330  
[www.myfloridacfo.com](http://www.myfloridacfo.com)

## III. Insurer Filing Requirements

### *Electronic Quarterly/Annual Premium Reports or No Business Report*

Pursuant to Florida Statute 626.931 (3) all foreign surplus lines insurers are required to file quarterly policy information to the FSLSO for policy transactions effective during the quarter. The submission of data is due no later than 90 days after the quarter ends. Alien insurers are required to file annually by June 30 pursuant to Florida Statute 626.931 (4).

Policy information includes specific information about policies underwritten by the insurer such as policy number, transaction effective date, premium amount, and insured name. In addition, contact information for the insurer and surplus lines agent or agency for each policy reported is required. Insurers are required to use our online filing platform **SLIP+** when submitting quarterly or annual premium information to the FSLSO. More filing information is available at [www.fslso.com](http://www.fslso.com).



A No Business report is required in lieu of quarterly or annual filings for eligible surplus lines insurers not transacting business in Florida. The No Business report must also be filed through FSLSO SLIP+. It should be submitted quarterly for foreign insurers and filed within 90 days after the quarter ends. Alien insurers are required to file annually by June 30 for the previous calendar year.

In the event of a large volume of business to report, the insurer can file via CSV or XML Batch in SLIP+. SLIP+ also provides features that allow search and submission of policy data, the ability to make corrections to data previously submitted, the ability to report No Business, the ability to submit your Catastrophe Contact Form, and access to various types of reports.

**Insurer SLIP+**



Foreign and alien unauthorized insurers made eligible by the Florida Office of Insurance Regulation (OIR), federally authorized insurers as classified by the OIR under the provisions of the Nonadmitted and Reinsurance Reform Act (NRRRA), and alien insurers listed on the NAIC IID List should register for an Insurer SLIP+ account by going to <https://fslso.slipplus.com> and clicking the *Register now!* link.

**FOREIGN:** Deadlines for filing the quarterly premium report for foreign insurers or a *No Business* notification, if applicable.



Reporting Quarter	Reporting Due Date	Transactions Effective
1 <sup>st</sup> Quarter	June 30	January 1 to March 31
2 <sup>nd</sup> Quarter	September 30	April 1 to June 30
3 <sup>rd</sup> Quarter	December 31	July 1 to September 30
4 <sup>th</sup> Quarter	March 31 of the following year	October 1 to December 31

**ALIEN:** Deadlines for filing the annual premium report for alien insurers or a *No Business* notification:

Reporting Period	Reporting Due Date	Transactions Effective
Annual Filing	June 30	January 1 to December 31

Please report *No Business* via SLIP+ in the event no business is conducted in Florida for the Quarter or Year.

#### IV. Non-Compliance

Failure to comply with the filing requirements of Section 626.931 (3), (4) Florida Statute, could result in regulatory action by the Florida Office of Insurance Regulation (OIR).

626.9361 Failure to file report; administrative penalty –

Any eligible surplus lines insurer who fails to file a report in the form and within the time required or provided for in the Surplus Lines Law may be fined up to \$500 per day for each day such failure continues, beginning the day after the report was due, until the date the report is received. Failure to file a report may also result in withdrawal of eligibility as a surplus lines insurer in this state. All sums collected by the department under this section shall be deposited into the Insurance Regulatory Trust Fund

#### V. Insurer Financials

FSLSO compiles the most current financial information available for surplus lines insurers eligible to operate in the state of Florida and makes the information available at <https://www.fslso.com/Florida/MarketData/insurerfinancials>.

The information is downloaded directly from the National Association of Insurance Commissioners (NAIC). If necessary, additional information will be requested directly from the insurer on an as needed basis.



FSLSO provides insurer financial information for informational purposes only; it does not constitute an endorsement for any service, company or person offering any product or service. The information contained in these reports is extracted data collected from public sources.

The information collected in the review is helpful to Florida surplus lines agents and any other person interested in the financial stability of surplus lines insurers. Reviewing the compilation of data made available by the FSLSO is one additional step that surplus lines agents can take to verify that their business is placed with financially stable eligible surplus lines insurers. The information presented covers a five-year period and concentrates on trends in capital and surplus, profit, gross and net written premiums, and the major lines of business that the company writes.

THE REQUEST FOR A COPY OF FINANCIAL STATEMENTS AND OTHER FINANCIAL SUPPLEMENTS DOES NOT RELIEVE THE INSURER OF THE STATUTORY REQUIREMENT TO FILE THESE DOCUMENTS WITH THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES, OFFICE OF INSURANCE REGULATION, FORMALLY KNOWN AS THE FLORIDA DEPARTMENT OF INSURANCE.

**Deadlines for filing the financial documents are as follows:**

- **FOREIGN:** This information will be downloaded by the National Association of Insurance Commissioners (NAIC).
- **ALIEN:** Submit electronic copy of Standard IID Report by July 31.

## **VI. Financial Solvency Requirements**

FSLSO, DFS, and the Florida Office of Insurance Regulation (OIR) monitor the financial condition of all surplus lines insurers. The following statute references the solvency guidelines for all surplus lines insurers wanting to remain on Florida's eligibility list.

Florida Statute 626.918 Eligible Surplus Lines Insurers.—

(2) (c) 1.a. The insurer must have and maintain surplus as to policyholders of not less than \$15 million; in addition, an alien insurer must also have and maintain in the United States a trust fund for the protection of all its policyholders in the United States under terms deemed by the office to be reasonably adequate, in an amount not less than \$5.4 million. Any such surplus as to policyholders or trust fund shall be represented by investments consisting of eligible investments for like funds of like domestic insurers under part II of chapter 625 provided, however, that in the case of an alien insurance company, any such surplus as to policyholders may be represented by investments permitted by the domestic regulator of such alien insurance company if such investments are substantially similar in terms of quality, liquidity, and security to eligible investments for like funds of like domestic insurers under part II of chapter 625. Clean, irrevocable, unconditional, and evergreen letters of credit issued or confirmed by a qualified United States financial institution, as defined in subparagraph 2., may be used to fund the trust.



b. For those surplus lines insurers that were eligible on January 1, 1994, and that maintained their eligibility thereafter, the required surplus as to policyholders shall be:

(X) On December 31, 2003, and thereafter, \$15 million.

c. The capital and surplus requirements as set forth in sub-subparagraph b. do not apply in the case of an insurance exchange created by the laws of individual states, where the exchange maintains capital and surplus pursuant to the requirements of that state, or maintains capital and surplus in an amount not less than \$50 million in the aggregate. For an insurance exchange which maintains funds in the amount of at least \$12 million for the protection of all insurance exchange policyholders, each individual syndicate shall maintain minimum capital and surplus in an amount not less than \$3 million. If the insurance exchange does not maintain funds in the amount of at least \$12 million for the protection of all insurance exchange policyholders, each individual syndicate shall meet the minimum capital and surplus requirements set forth in sub-subparagraph b.

d. A surplus lines insurer which is a member of an insurance holding company that includes a member which is a Florida domestic insurer as set forth in its holding company registration statement, as set forth in s. 628.801 and rules adopted thereunder, may elect to maintain surplus as to policyholders in an amount equal to the requirements of s. 624.408, subject to the requirement that the surplus lines insurer shall at all times be in compliance with the requirements of chapter 625.

The election shall be submitted to the office and shall be effective upon the office's being satisfied that the requirements of sub-subparagraph d. have been met. The initial date of election shall be the date of office approval. The election approval application shall be on a form adopted by commission rule. The office may approve an election form submitted pursuant to sub-subparagraph d. only if it was on file with the former Department of Insurance before February 28, 1998.

2. For purposes of letters of credit under subparagraph 1., the term "qualified United States financial institution" means an institution that:

a. Is organized or, in the case of a United States office of a foreign banking organization, is licensed under the laws of the United States or any state.

b. Is regulated, supervised, and examined by authorities of the United States or any state having regulatory authority over banks and trust companies.

c. Has been determined by the office or the Securities Valuation Office of the National Association of Insurance Commissioners to meet such standards of financial condition and standing as are considered necessary and appropriate to regulate the quality of financial institutions whose letters of credit are acceptable to the office.

(d) The insurer must be of good reputation as to the providing of service to its policyholders and the payment of losses and claims.

(e) The insurer must be eligible, as for authority to transact insurance in this state, under s. 624.404(3).

(f) This subsection does not apply as to unauthorized insurers made eligible under s. 626.917 as to wet marine and aviation risks.





**VII. Insurer Contact Information**

Please report any change in address, phone number, fax number or contact email address to:

**Florida Office of Insurance Regulation**  
 Bureau of Property and Casualty Solvency  
 200 East Gaines Street  
 Tallahassee, Florida 32399-0300

**Florida Surplus Lines Service Office**  
 ATTN: Insurer Services  
 1441 Maclay Commerce Drive, Suite 200  
 Tallahassee, FL 32312  
[insurer.services@fslso.com](mailto:insurer.services@fslso.com)

Please report a change of name for the insurer to:

**Florida Office of Insurance Regulation**  
 Bureau of Property and Casualty Solvency  
 200 East Gaines Street  
 Tallahassee, Florida 32399-0300

**Florida Surplus Lines Service Office**  
 ATTN: Insurer Services  
 1441 Maclay Commerce Drive, Suite 200  
 Tallahassee, FL 32312  
[insurer.services@fslso.com](mailto:insurer.services@fslso.com)

Please report an *acquisition or merger that involves the surplus lines insurer* to:

**Florida Office of Insurance Regulation**  
 Bureau of Property and Casualty Solvency  
 200 East Gaines Street  
 Tallahassee, Florida 32399-0300

**Florida Surplus Lines Service Office**  
 ATTN: Insurer Services  
 1441 Maclay Commerce Drive, Suite 200  
 Tallahassee, FL 32312  
[insurer.services@fslso.com](mailto:insurer.services@fslso.com)

Please report any *voluntary surrender or administrative action that results in the surplus lines insurer being removed from Florida's eligibility list* to:

**Florida Office of Insurance Regulation**  
 Bureau of Property and Casualty Solvency  
 200 East Gaines Street  
 Tallahassee, Florida 32399-0300

**Florida Surplus Lines Service Office**  
 ATTN: Insurer Services  
 1441 Maclay Commerce Drive, Suite 200  
 Tallahassee, FL 32312  
[insurer.services@fslso.com](mailto:insurer.services@fslso.com)



## VIII. Eligible Insurers

A listing of Florida eligible surplus lines insurers is located on the FSLSO website at <http://fslso.com/compliance/eligible-insurers>. Please check the NAIC number and address information to make sure all information is correct. Please forward any corrections to:

**Florida Office of Insurance Regulation**  
Bureau of Property and Casualty Solvency  
200 East Gaines Street  
Tallahassee, Florida 32399-0300

**Florida Surplus Lines Service Office**  
ATTN: Insurer Services  
1441 Maclay Commerce Drive, Suite 200  
Tallahassee, FL 32312  
[insurer.services@fslso.com](mailto:insurer.services@fslso.com)

## IX. Florida Statutes

The Surplus Lines Law (Chapter 626, Part VIII, Florida Statutes 626.913- 626.939) may be accessed directly from Online Sunshine, <http://www.leg.state.fl.us>.

## X. News and Information

FSLSO produces several electronic newsletters.

- *The Wire* – Information on industry news, SLIP+ updates, FSLSO happenings
- *Market Insights* – Information, updates, and news on excess and surplus carriers
- *FL Monthly Premium Report* – a monthly report on premium and policy count data for the previous month
- *The Carrier* – Information and updates for surplus lines insurers transacting business in Florida.

Subscribers can sign up for either or both newsletters through our website, [www.fslso.com](http://www.fslso.com).

## XI. Checklist - Foreign (U.S.) Insurers

1. Electronic filing of Quarterly Premium Report – due 90 days after each quarter ends.
2. File a No Business report via SLIP+ (if applicable).
3. Update Catastrophe Contact Information by May 31 annually via SLIP+. Any subsequent changes to the contact information during the periods of June 1 through December 31 should be updated immediately.

Please remember to inform FSLSO of any name changes, address changes, acquisitions, mergers, or removal from the surplus lines eligibility list.



## **XII. Checklist - Alien (non U.S.) Insurers**

1. Electronic filing of Annual Premium Report via SLIP+ - due no later than June 30 annually.
2. Report No Business via SLIP+ (if applicable).
3. Submit electronic copy of the Standard IID Report – due no later than July 31 annually.
4. Update Catastrophe Contact Information by May 31 annually via SLIP+. Any subsequent changes to the contact information during the periods of June 1 through December 31 should be updated immediately.

Please remember to inform the FLSO of any name changes, address changes, acquisitions, mergers, or removal from surplus lines eligibility list.