



LOUISIANA DEPARTMENT OF INSURANCE

JAMES J. DONELON
COMMISSIONER

BULLETIN NO. 2013-06

TO: ALL PROPERTY AND CASUALTY INSURANCE PRODUCERS AND SURPLUS LINES BROKERS

FROM: JAMES J. DONELON, COMMISSIONER OF INSURANCE

RE: FORM FOR ACKNOWLEDGMENT OF APPLICANT FOR PERSONAL LINES INSURANCE COVERAGE IN THE SURPLUS LINES MARKET

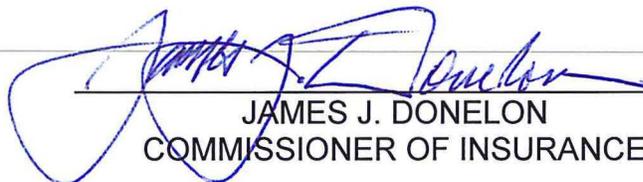
DATE: JULY 3, 2013

The purpose of Bulletin No. 2013-06 is to advise all property and casualty producers and surplus lines brokers of amendments to La. R.S. 22:438 caused by Acts 2013 No. 203. Prior to this amendment, La. R.S. 22:438 required any licensed surplus lines broker that procured a personal lines policy to obtain an affidavit from the submitting producer or broker attesting to the diligent efforts to place the insurance coverage with admitted insurers. The amendment to La. R.S. 22:438 eliminates this former requirement and replaces it with the requirement that the producer or broker provide certain notices to the applicant for personal lines insurance coverage in the surplus lines market and that the applicant execute an acknowledgement no later than the date of binding.

The acknowledgment shall be on a standardized form promulgated by the Commissioner and shall verify that the applicant was expressly advised, prior to the placement of the insurance, that the insurance may be placed with an approved unauthorized insurer or other eligible insurer and in the event of insolvency, losses shall not be paid by the Louisiana Insurance Guaranty Association. Additionally, the acknowledgment shall verify that the applicant expressly authorizes the procurement of surplus lines insurance coverage and that the coverage shall be placed through a duly licensed surplus lines broker.

Accordingly, please take notice that any licensed surplus lines broker that procures a personal lines policy with a surplus lines insurer shall use the attached acknowledgement form to verify compliance with La. R.S. 22:438. The acknowledgement form shall also be available on the LDI website (www.lidi.la.gov). Questions regarding Bulletin No. 2013-06 should be directed to the LDI, Office of Property and Casualty, at (225) 342-5203.

Baton Rouge, Louisiana, this 3rd day of July 2013.



JAMES J. DONELON
COMMISSIONER OF INSURANCE

LOUISIANA DEPARTMENT OF INSURANCE
FORM 438
ACKNOWLEDGEMENT OF APPLICANT FOR PERSONAL LINES
INSURANCE COVERAGE IN THE SURPLUS LINES MARKET

I am applying for personal lines insurance coverage in the surplus lines market. By placing my initials on the four (4) statements below, and dating and signing this form, I hereby acknowledge the following in accordance with La. R.S. 22:438, to wit:

_____ The insurance may be placed with an approved unauthorized insurer or
initial eligible unauthorized insurer.

_____ In the event of insolvency of the insurer, losses shall not be paid by the
initial Louisiana Insurance Guaranty Association.

_____ I expressly authorize the procurement of surplus lines insurance coverage.
initial

_____ Any surplus lines coverage shall be procured through a duly licensed
initial surplus lines broker.

Signature of Applicant

Printed Name of Applicant

Date

Name of Property & Casualty Producer: _____

Address: _____

City: _____ State: _____ Zip: _____

This form shall be maintained by the surplus lines broker.

NOTICE:
The language and format of this Form shall not be altered.

Issued: July 1, 2013