STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
Financial Affairs Section / Analytical Unit 0576
500 James Robertson Parkway, 4TH Floor
Nashville, Tennessee 37243
(615) 741-1633

TO: Foreign Surplus Lines Insurers

FROM: Robert J. Ribe, CFE, CPA
Chief Analyst

DATE: January 24, 2006

RE: Surplus Lines Renewal Information

The Tennessee Department of Commerce & Insurance requires the following filings from all eligible Foreign Surplus Lines Insurers in order to continue their eligibility in the State of Tennessee:

2005 Filing Requirements:

1. *2005 Annual Statement* securely bound and printed on the National Association of Insurance Commissioners ("NAIC") 9" x 14" blank.

   - Statement schedules and exhibits are to be prepared according to NAIC Annual Statement Instructions.

   - Pursuant to Tenn. Code Ann. § 56-1-501, the financial statement be subscribed and sworn to by the President and Secretary, or in their absence, two (2) principal officers. If the statement is signed by anyone other than the President and Secretary, an affidavit must be included and stated that such person is a principle officer elected by the board of directors. *Annual Statements* must bear original signatures and notary.

   - Pursuant to Tenn. Code Ann. § 56-14-108(b)(3), the *Annual Statement* must be received by **March 1, 2006**.

   - **Pursuant to Tenn. Code Ann. § 56-1-502, the *Annual Statement and Actuarial Opinion* must be *received* in this office by the due date. Late or incomplete filings are subject to a penalty of $100 per day.**

   - Pursuant to Tenn. Code Ann. § 56-4-101(a)(3), the *Annual Statement Filing Fee* of five hundred fifteen dollars ($515.00) must be received by **March 1, 2006**.

   - Pursuant to Tenn. Code Ann. § 56-4-101(a)(4), the *Annual Review Fee* to determine continuing eligibility of the surplus lines insurers is two hundred seventy dollars ($270.00) and must be received by **March 1, 2006**.

2. The *Actuarial Opinion* must be attached to page 1 of the Annual Statement.

   - The *Actuarial Opinion* must contain original signatures and notary.

   - The *Actuarial Opinion* must be prepared according to the NAIC Annual Statement Instructions.

3. Pursuant to Tenn. Code Ann. § 56-14-108(b)(2), a *Certificate of Compliance* issued by its domiciliary state must be filed.

4. Pursuant to the NAIC Annual Statement Instructions, the company's *Management Discussion and Analysis* must be filed by **April 1, 2006**.

5. Pursuant to the NAIC Annual Statement Instructions, the *Audited Financial Report* must be filed by **June 1, 2006.**

6. *Certificate of Deposit* from the company's state of domicile.

FAILURE TO COMPLY WITH THE ABOVE REQUIREMENTS SHALL RESULT IN THE WITHDRAWAL OF THE COMPANY'S SURPLUS LINES ELIGIBILITY TO DO BUSINESS IN THE STATE OF TENNESSEE.

Please note: The renewal packet for Surplus Lines Companies will be on the following website in the future www.state.tn.us/commerce/insurance/index.html.

The above documents should be mail to the following address:

Tennessee Department of Commerce and Insurance
Attn: Hui Wattanaskolpant, Analyst
Financial Affairs Section / Analytical Unit 0576
500 James Robertson Parkway, 4TH Floor
Nashville, Tennessee 37243
(615) 253-2958