

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

INSURANCE BUREAU

SURPLUS LINES INSURANCE FEES

(By authority conferred on the director of the department of insurance and financial services by section 210 of 1956 PA 218, MCL 500.210)

R 500.1251 Surplus lines insurance fee.

Rule 1. (1) A surplus lines licensee may charge, in addition to the premium charged by an unauthorized insurer, a fee to cover the costs incurred in the placement of the insurance which exceeds \$50.00 when the actual costs incurred for services performed by persons or entities unrelated to the licensee exceed that amount. The fee allowable under this rule shall be adjusted annually pursuant to the provisions of section 1915 of the Insurance Code, 1956 PA 218, MCL 500.1915. Costs unrelated to the licensee include the costs incurred in obtaining any of the following:

- (a) Government records.
- (b) Inspection records.
- (c) Financial ratings.

(d) Consumer investigation reports. Costs unrelated to the licensee do not include costs incurred in maintaining offices and compensating the licensee's employees.

(2) All fees shall be itemized and the reason for each charge shall be clearly stated on the invoice issued to the insured.

(3) The licensee shall file both of the following with the commissioner in the form and manner prescribed by the commissioner:

(a) A report of all fees in excess of the amount allowable under subrule (1) of this rule charged by the licensee.

(b) An affidavit stating that the licensee has not received compensation for the cost of these services from the unauthorized insurer.

History: 1981 AACCS; 2015 AACCS.