



Department of Commerce
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
Caller Box 10007 CK, Saipan, MP 96950
Telephone: (670) 664-3064/3000 Fax: (670) 664-3067
Email: commerce@pticom.com
Website: www.commerce.gov.mp/
OFFICE OF THE INSURANCE COMMISSIONER

SURPLUS LINE AGENT OR BROKER AND UNAUTHORIZED INSURER FILING REQUIREMENTS

I. Surplus Line Agent or Broker

A) Every person seeking to be licensed as either a surplus line agent or broker shall file the following:

- 1. Form I-D, Application for Insurance License
- 2. Form I-B, Agreement and Power of Attorney
- 3. Proof of payment of license fee of \$100.00
- 4. Surety Bond in the amount of \$2,000 conditioned that the broker or agent will fully comply with all applicable requirements of 4 CMC Division 7.

B) A surplus line agent or broker must apply for license renewal within 30 days prior to its expiration if one of the following conditions exists:

- 1. Agent or broker desires to renew the license; or
- 2. Surplus line policies written have not expired; or
- 3. There is/are pending litigation(s) against the insurer, broker or agent arising from business within the CNMI; or
- 4. Submission of affidavit affirming condition (2) or (3) exists and that no new surplus lines policy was written or no existing policy was renewed after expiration of agent or broker's license without written consent from the Insurance Commissioner.

C) Before surplus lines coverage may be procured and a policy is issued OR renewed, a surplus lines agent or broker shall:

- 1. Be licensed subject to A) or B) above; and
- 2. File Form I-A2, Affidavit of Statement of Compliance; and
- 3. Properly fill in and sign an endorsement on each policy to read as follows:
"Issued in an unauthorized company, under agent's (or broker's) license no _____."

D) Every agent or broker shall keep a separate account of business done under a surplus lines license and, on or before July 1 of each year, shall file with the Commissioner an annual statement as of December 31 the year preceding. The annual statement must include the following information:

- 1. Name and address of insured
- 2. Name and address of insurer issuing policy or contract
- 3. Indication whether insurer is foreign (US) or alien
- 4. Amount of coverage per class of insurance per insured
- 5. Premiums charged, returned, canceled, or not taken per policy
- 6. Effective date and term of each policy
- 7. Premiums taxes payable to the Insurance Commissioner
- 8. Losses incurred, paid and unpaid
- 9. Litigations against insurer/agent/or broker arising from business within the CNMI

E) Any agent or broker who fails or refuses to make and file any required statement shall be liable for a fine of \$25.00 for each day of delinquency in addition to revocation of his license.

II. Unauthorized Insurer

An unauthorized insurer may transact surplus lines insurance subject to the Insurance Commissioner's approval of its filing of the following, both initially and annually thereafter on July 1, for as long as it has any outstanding liability in the CNMI:

- 1. Form I-B, Agreement and Power of Attorney
- 2. Agency or broker's agreement
- 3. Audited financial statements for preceding year
- 4. Premium taxes paid to the Insurance Commissioner (The premium tax rate is five percent of adjusted gross premiums.)



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- NEW * 201__ LICENSE FEE \$ _____ RECEIPT NO. _____
- EXTENSION/RENEWAL 201__ PENALTY AMOUNT\$ _____ RECEIPT NO. _____
- AMENDMENT 201__

APPLICATION FOR INSURANCE LICENSE

(General Agent, Sub-Agent, Broker, Adjuster or Surplus Lines)

The undersigned hereby applies for a _____ license authorizing the transaction of the business of insurance in the Commonwealth of the Northern Mariana Islands, including the following classes of insurance:

- Disability (Accident/Health) Marine Vehicle
- General Casualty Property Surety Life

Company Sponsor: _____
 Name of Insurance Carrier

1. NAME OF APPLICANT: _____
2. RESIDENCE ADDRESS: _____
3. BUSINESS ADDRESS: _____
 Tel No(s): _____ Fax No.: _____
 Email: _____

4. APPLICANT'S FORM OF ORGANIZATION IS: (* provide copies of pertinent documents)
 _____ Proprietorship _____ Partnership _____ Corporation
 _____ LLC _____ Other

5. Do you use any other name than the one stated in question No. 1, in the conduct of business?
 _____ Yes _____ No

6. If the answer to question No. 5 is YES, give the name of your business: _____

7. Is the license to be issued in the name of your business or in your personal name? Please print the name as it would appear on the license.

8. If the applicant is a partnership or an association, give the name of all partners or members thereof; if a corporation, list the names and addresses of all officers of the corporation: (If more space is needed, attach a separate sheet.)

Name	Title	Address

9. If the applicant is a partnership, an association or a corporation, list the names of all individuals who are to be authorized to act under this license.

10. Is the person listed under item No. 9, a resident of the Commonwealth? _____ Yes
_____ No

11. If the answer to item No. 10 is NO, give address of permanent resident of each:

12. Have you or any person listed under item No. 8 or No. 9, ever been denied or had an insurance license revoked? _____ Yes _____ No If, answer YES, a detailed letter of explanation must accompany this application.

13. Have you or any person listed under item No. 8 or No. 9, ever been convicted of a felony? _____ Yes _____ No If, answer is YES, a detailed letter of explanation must accompany this application.

14. Are you, and each person listed under item No. 8 or No. 9, familiar with the insurance laws of the Commonwealth and do you agree to conduct business in accordance therewith and do you understand that if you required to take an examination, there will be several questions on the laws that you must answer satisfactorily? _____ Yes _____ No

15. Is applicant, or any person listed under item No. 8 or No. 9, engaged in any other business, either full-time or part-time? _____ Yes _____ No If answer is YES, what is the nature of the other business?

16. Give any previous insurance business experience: _____

- 17. The applicant hereby certifies that the principal use of the license applied for is not to effect insurance on the applicant's own life, property or risks, or the life, property or risks of employees or members of employees or members of applicant's family.
- 18. If application is for a Broker's license, this application must be signed below by two persons licensed as General Agents (from separate companies) in the Commonwealth. List all companies in which you broker for: (If more space is needed, attach a separate sheet.)

I, _____, OF _____ CERTIFY
Name of General Agent Company
 THAT I HAVE KNOWN THE UNDERSIGNED FOR _____ YEARS AND TESTIFY
 THAT HE/SHE IS PERSON OF GOOD MORAL CHARACTER AND INTEGRITY.

 Signature of General Agent

I, _____, OF _____ CERTIFY
Name of General Agent Company
 THAT I HAVE KNOWN THE UNDERSIGNED FOR _____ YEARS AND TESTIFY
 THAT HE/SHE IS PERSON OF GOOD MORAL CHARACTER AND INTEGRITY.

 Signature of General Agent

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS)
) SS:
)

AFFIDAVIT

The undersigned, being duly sworn, deposes and says that he is the person named in the foregoing application, that he knows the contents thereof, and that each of the statements made, and answers to the questions herein, are true of his own knowledge.

 Signature of Applicant

 Date

AGREEMENT AND POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the _____, hereinafter referred to as "company", a corporation (or association) created and organized under the laws of the State of _____ and thereby authorized to transact the business of _____

Insurance, desiring to transact business within the Commonwealth, pursuant to the laws thereof, does hereby agree that any legal process affecting the said company may be served upon _____ (resident agent) for said company, at _____, who is hereby specified and authorized to receive and accept service of process for said company and any such service of process shall have the same affect and shall be taken and held to be as if served personally on the company within the Commonwealth.

The said company does hereby further authorize the appointment of the said Insurance Commissioner of the Commonwealth or his designees its true and lawful attorney as required by 4 CMC § 7301(o) of the Commonwealth Insurance Act of 1983 upon whom service of process may be made.

The said company does hereby further consent to being sued by an injured person or his heirs of representatives in a direct action on any policy or liability insurance in accordance with 4 CMC § 7301(e) of the Commonwealth Insurance Act of 1983.

IN THE TESTIMONY WHEREOF, the company in accordance with a resolution of its Board of Directors, duly adopted by the Board on the _____ day of _____ 201_____, (Certified copy is hereto attached), and to these presents has affixed its corporate seal and caused the same to subscribed and attested to by its President and Secretary at the City of _____ in the state of _____ on the _____ day of _____ 201_____.

(SEAL)

PRESIDENT

ATTEST:

SECRETARY

Form I-B



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STATEMENT OF COMPLIANCE

Pursuant to the requirements of 4 CMC § 7304(c), Commonwealth Insurance Act of 1983, I, _____, holder of surplus line agent/broker license no. _____, does hereby affirm that _____, a client for surplus line coverage, is unable to procure in any insurance company admitted to do business in the Commonwealth the amount or kind of insurance necessary to protect the property or undertakings of the insurance as described below at rates not less than the minimum rates on the property promulgated by an authorized rating bureau or other bureau or conference whose rates have been accepted by the Insurance Commissioner.

Description of Insurance Sought: (Attach at least three proofs from admitted insurers of client's attempt to solicit coverage.)

AFFIDAVIT

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS)
MUNICIPALITY OF _____) SS.
)

The undersigned, being duly sworn, deposes and says that he or she is the maker of the foregoing statement, and that each of the statements made therein is true of his or her best knowledge.

Signature of Applicant

Subscribed and sworn to before me this _____ day of _____, 201__.

(Notary Public)

(S E A L)

My commission expires: _____