



STATE OF TENNESSEE  
DEPARTMENT OF COMMERCE AND INSURANCE  
Division of Insurance  
Financial Affairs Section / Analytical Unit 0576  
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## FOREIGN SURPLUS LINES INSURER ELIGIBILITY REQUIREMENTS IN TENNESSEE

Surplus Lines insurers are governed by Tennessee Code Annotated Title 56, Chapter 14, which was amended on June 10, 2011 via Public Acts Chapter No. 446 (House Bill No. 966).

Foreign (United States domiciled) insurers must apply to be recognized as Eligible Surplus Lines Insurers by the Tennessee Division of Insurance.

The **application** shall include a cover letter and:

1. **\$675.00 application fee** [see Tenn. Code Ann. § 56-4-101(1)];
2. **Certificate of Compliance** identifying the type(s) of insurance authorized to write in its domiciliary jurisdiction [see Tenn. Code Ann. § 56-14-109(b)(1)];
3. Documentation explicitly reflecting minimum **\$15 Million Policyholder Surplus**, limited to the following:
  - a. Statutory statement published at NAIC I-SITE [the preferred method];
  - b. Organizational Examination or Financial Examination issued by the domiciliary state;
  - c. Memorandum of Admission or equivalent issued by the domiciliary state; or
  - d. An email from the applicant's domiciliary state analyst or examiner.[See Tenn. Code Ann. § 56-14-109(b)(1)(A)].

Item #1 may be fulfilled by electronic-only submission via the new enhanced capabilities of NAIC's OPTins system. More information is available at: [https://www.optins.org/getting\\_started.htm](https://www.optins.org/getting_started.htm) .

Items #2 and #3 may be fulfilled by electronic-only submission as PDFs to [company.licensing@tn.gov](mailto:company.licensing@tn.gov) .

Should the applicant qualify for recognition as an Eligible Surplus Lines Insurer in Tennessee, it will be subject to the **\$440.00 fee for letter of notification of eligibility** (which may be invoiced immediately prior to issuance of the letter) [see Tenn. Code Ann. § 56-4-101(2)].

*(Insurers not qualifying under Tenn. Code Ann. § 56-14-109(b)(1)(A) but prospectively qualifying under Tenn. Code Ann. § 56-14-109(b)(1)(B) may contact this Division for additional application information.)*

In accordance with Tenn. Code Ann. § 56-14-109(c), if at any time the commissioner has reason to believe that any unauthorized insurer then on the list of eligible surplus lines insurers no longer meets conditions of eligibility, has willfully violated the laws of this state or does not conduct a proper claims practice, the commissioner may declare it ineligible.

As such, the foreign surplus lines insurer will be subject to the **annual review for determination of continuing eligibility**, designated in Tenn. Code Ann. § 56-4-101(3). Filing requirements pursuant to the review may be found at: [https://www.tn.gov/content/dam/tn/commerce/documents/insurance/forms/SL\\_Annual\\_Foreign\\_Continuing\\_Eligibility\\_Review.pdf](https://www.tn.gov/content/dam/tn/commerce/documents/insurance/forms/SL_Annual_Foreign_Continuing_Eligibility_Review.pdf) .

In accordance with Tenn. Code Ann. § 56-14-105(d), the following kinds of insurance shall not be eligible for surplus lines insurance: (1) Primary personal automobile liability; (2) Surety; and (3) Workers' compensation, except as provided in § 56-14-105(a).