

demand to inspect a particular record, he shall specifically state the reasons for such refusal.

(5) **EXCEPTIONS.** Nothing contained herein shall prevent the commissioner from furnishing a record when required to do so by a proper court order or when requested to do so by a public officer in the official discharge of his duties, under such safeguards as may be appropriate.

**History:** Cr. Register, June, 1973, No. 210, eff. 7-1-73; am. (3) (b), Register, March, 1979, No. 279, eff. 4-1-79.

**Ins 6.17 Regulation of surplus lines insurance.** (1) **PURPOSE.** This rule implements and interprets ss. 601.42, 601.72, 601.73, 618.41 and 618.43, Stats., for the purpose of facilitating the regulation of surplus lines insurance business in this state.

(2) **PROHIBITED PLACEMENT.** No licensed surplus lines agent may place contracts of insurance with any unauthorized insurer:

(a) For the classes of insurance specified by s. Ins 6.75 (2) (h), (i) and (k), and

(b) For any kind of insurance not specifically authorized by any of the other paragraphs of Ins 6.75.

(3) **RESPONSIBILITIES OF SURPLUS LINES AGENT.** Every licensed surplus lines agent who procures surplus lines insurance shall:

(a) Forward promptly to the policyholder a completed copy of a Surplus Lines Insurance Proposal in a form substantially as in Appendix 1 to this rule.

(b) When applicable, forward promptly to the policyholder a notice that the unauthorized insurer with which the insurance is to be placed is not on the list of unauthorized nondomestic insurers which the commissioner believes to be reliable and solid, along with notice of any other deficiencies of the insurer of which the agent has knowledge.

(c) Keep in his office in this state a full and true record of each surplus lines insurance contract procured by him, evidenced by a copy of the daily report or other documents to show at least the following information:

1. Amount of the insurance and perils insured against;
2. Brief general description of property insured and where located;
3. Gross premium charged;
4. Return premium paid, if any;
5. Rate of premium charged upon the several items of property;
6. Effective date of the contract, and the terms thereof;
7. Name and post-office address of the insured;
8. Name and home office address of the insurer;
9. Amount collected from the insured; and
10. A copy of the Notice required by par. (b).

Ins 6

(d) The record required by par. (d) shall be open at all times to examination by the commissioner without notice, and shall be so kept available and open to the commissioner for 3 years (5 years for notice required by par. (b)) next following the expiration or cancellation of the contract.

(4) **ADVERTISING BY SURPLUS LINES AGENT.** A surplus lines agent may advertise the availability of services in procuring, on behalf of persons seeking insurance, contracts with insurers not holding a certificate of authority in Wisconsin, but such advertisements shall not refer to any particular unauthorized insurer or insurers.

(5) **REPORT AND PAYMENT OF TAX-SURPLUS LINES INSURANCE.** All premium tax collected by the surplus lines agent shall be reported and forwarded to the commissioner on or before March 1, for all insurance procured, renewed or continued during the preceding calendar year with unauthorized insurers. The report shall be made on a form substantially the same as Appendix 2 to this rule.

(6) **PENALTY.** Any violation of this rule shall subject the agent to immediate revocation of the agent's surplus lines license and to other forfeitures and penalties provided by s. 601.64, Stats.

**History:** Cr. Register, December, 1973, No. 216, eff. 1-1-74; am. (1), Register, May, 1975, No. 233, eff. 6-1-75; emerg. am. (2) (a) and (b), eff. 6-22-76; am. (2) (a) and (b), Register, September, 1976, No. 249, eff. 10-1-76; am. (2) (a) and (b), Register, March, 1979, No. 279, eff. 4-1-79; r. (3) (c), renum. (3) (d) and (e) to be (3) (c) and (d), am. (4), (6) and appendix 1, Register, August, 1982, No. 320, eff. 9-1-82.

Appendix 1

Ins 6.17

**SURPLUS LINES INSURANCE PROPOSAL**

Name and address of applicant Date

Dear : Proposal No.

You have asked that I procure the following insurance coverage on your behalf:

<i>Type of Insurance</i>	<i>Limits of Coverage</i>
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I can procure the coverage desired from the following insurer (s) at the premium listed:

<i>Insurer(s) — Name and Address</i>	<i>% of Total Risk</i>	<i>Premium Quoted</i>
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This insurance is with an insurer which has not obtained a certificate of authority to transact a regular insurance business in the state of Wisconsin, and will be issued and delivered as a surplus lines coverage pursuant to s. 618.41, Stats. The insurance is regulated by the Commissioner of Insurance only as provided in ss. 618.41 and 618.43, Stats. Section 618.43 (1), Stats., requires payment by the policyholder of a 3% tax on gross premium (except for Ocean Marine Insurance on which the tax is one-half of 1%). The tax in this instance amounts to \$ \_\_\_\_\_. If the above transaction is not satisfactory, please advise immediately.

Sincerely yours,

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Name and address of licensed surplus lines agent

Appendix 2

Ins 6.17

REPORT OF SURPLUS LINES INSURANCE

Year Ending December 31, 19\_\_\_\_\_

This report is to be filed with the Commissioner of Insurance, State of Wisconsin, Madison, Wisconsin 53702, on or before March 1, 19\_\_\_\_\_

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WISCONSIN ADMINISTRATIVE CODE

Agent		Business address, including zip code			Date	
Proposal No. and Date* (1)	Name of Insured (2)	Name of Insurance Company (3)	Contract Number (4)	Term and Effective Date (5)	Premium Charged (6)	3%** Premium Tax Collected (7)

\*Proposals are to be numbered consecutively.  
 \*\*½ of 1% for Ocean Marine Insurance

Premium Collected During Year -----	\$ _____
Tax Due @ 3%**—Total Column (7) -----	\$ _____
Amount Enclosed -----	\$ _____

(b) "Fees", "operating fees" or "annual fees" means those fees charged for each fiscal year of participation, July 1 to June 30.

(c) "Class" of physicians or surgeons means those classes currently in use by the Wisconsin Health Care Liability Insurance Plan, as authorized by s. Ins 17.25 (12) (b).

(4) PRO RATA FEES. A health care provider may enter or exit the Fund at a date other than July 1 or June 30.

(a) If a health care provider enters the Fund subsequent to July 1, the provider shall be charged a fee of one-twelfth the annual fee for that class of provider for each month or part of month between the date of entry and the next June 30.

(b) Notwithstanding the provisions of par. (a) no fee shall be charged for entry to the Fund after each June 1.

(c) If a health care provider exits the Fund prior to June 30, the provider shall be entitled to a refund of one-twelfth the annual fee for that class for each full month between the date of exit and the next June 30.

(d) The effective date of the proof of financial responsibility required under s. 655.23 (2), Stats., as it applies to each individual health care provider, shall determine the date of entry to the Fund. The cancellation or withdrawal of such proof shall establish the date of exit.

(5) EFFECTIVE DATE AND EXPIRATION DATE OF FEE SCHEDULES. The effective date of the fee schedule contained in this section shall be the current July 1 and shall expire the next subsequent June 30.

(6) FEE SCHEDULE. The following fee schedule shall be effective from July 1, 1982 to June 30, 1983.

(a) For physicians and surgeons

Class 1	\$ 381.00	Class 6	\$2,351.00
Class 2	686.00	Class 7	2,743.00
Class 3	1,097.00	Class 8	191.00
Class 4	1,177.00	Class 9	3,528.00
Class 5	1,958.00		

(b) For resident physicians and surgeons (or fellowships)

Class 1	\$ 227.00	Class 5	\$1,167.00
Class 2	409.00	Class 6	1,401.00
Class 3	654.00	Class 7	1,634.00
Class 4	701.00	Class 9	2,102.00

(c) For resident physicians and surgeons (practice outside residency or fellowship)

All classes	\$ 295.00
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(d) For Medical College of Wisconsin full time faculty

Class 1	\$ 157.00	Class 5	\$ 807.00
Class 2	283.00	Class 6	969.00
Class 3	452.00	Class 7	1,130.00
Class 4	485.00	Class 9	1,454.00

(e) For Medical College of Wisconsin resident physicians and surgeons

Class 1	\$ 162.00	Class 5	\$ 833.00
Class 2	292.00	Class 6	1,000.00
Class 3	467.00	Class 7	1,166.00
Class 4	501.00	Class 9	1,500.00

The assessment paid by Medical College of Wisconsin shall be determined by multiplying the resident class fee by the number of resident physician exposures in that class as determined by audit by the primary insurance carrier.

Initial assessments, payable on issuance of the policy, shall be computed on the basis of the number of exposures per class during the prior participation period. Final assessments, payable at the end of the policy period, shall be the initial assessment adjusted for actual physician exposures during the participation period as determined by audit by the primary insurance carrier.

(f) For government employes (state, federal, municipal)

Class 1	\$ 285.00	Class 6	\$1,758.00
Class 2	513.00	Class 7	2,052.00
Class 3	821.00	Class 8	143.00
Class 4	881.00	Class 9	2,639.00
Class 5	1,465.00		

(g) For retired or part time physicians and surgeons (office practice only, less than 500 hours per annum)

Class 1	\$ 227.00
Class 8	114.00

(h) For nurse anesthetists \$ 73.00

(i) For podiatrists (non surgical) 220.00  
For podiatrists (surgical) 878.00

For retired or part time podiatrists, nonsurgical office practice only, less than 500 hours practice per annum \$132.00

(j) For hospitals—per occupied bed \$ 56.00

(k) For nursing homes—per occupied bed \$ 19.00

History: Cr. Register, June, 1980, No. 294, eff. 7-1-80; am. (6), Register, June, 1981, No. 306, eff. 7-1-81; r. and rec. (6), Register, June, 1982, No. 318, eff. 7-1-82; am. (6) (h) and (i), Register, August, 1982, No. 320, eff. 9-1-82.