

[ YOUR LETTERHEAD]

[OFFICE OF THE INSURANCE COMMISSIONER LETTER]

Date:

To: The Office of the Insurance Commissioner Washington State

**Re: WAC 284-15-050 WAIVER OF FINANCIAL REQUIREMENTS**

In accordance with the regulations referenced, we are applying for a waiver of financial requirements specified in RCW 48.15.090 for the following policy:

Named Insured:

Insurance Company:

Policy Number:

Effective Date:

**Need for Waiver**

This client requires higher coverage limits or coverage than is available from admitted insurers and from insurers that meet the requirements of RCW 48.15.090.

**Broker Investigation**

We have investigated the financial condition of this insurer and are satisfied that it is capable of underwriting the attendant risks.

**Client Acknowledgement**

This client has been notified of the requirements under WAC 284-25-050 (5) per the attached letter.

Submitted by:

[Signature of Surplus Line Broker]

[YOUR LETTERHEAD]

[CLIENT LETTER]

Date:

Insured Name  
Insured Address

**RE: [Policy Number and Effective Date]**

The insurer on the above-named policy is [**Name of Insurer – NAIC/Alien ID**]. This insurer is not an eligible surplus line insurer in the state of Washington. The State of Washington requires that we inform you of the following, so that an exception to financial requirements under RCW 48.15.090 can be considered by the Office of the Insurance Commissioner:

1. The coverage or policy is issued by an insurer that is not an authorized insurer in the State of Washington.
2. The financial requirements for this surplus line insurer must be waived by all parties concerned to enable this coverage to be obtained.
3. There is no protection under the Washington Insurance Guaranty Association.

We will file this policy under WAC 284-15-050 “Waiver of Financial Requirements”.

If you have any questions, please let us know.

Sincerely,

**[signature of surplus line broker]**

I do hereby acknowledge that coverage has been issued by an insurer which is not an eligible surplus line insurer in the State of Washington.

**[INSURED SIGNATURE, TITLE AND DATE]**

## INSTRUCTIONS

### **WAC 284-15-050**

#### **Surplus line—Waiver of financial requirements.**

The following information must be submitted when a surplus line broker requests the commissioner to waive the financial requirements:

- (a) A detailed letter explaining the need to waive the financial requirements;
- (b) Documentation of the financial condition of the proposed insurer as reported in its annual statement as of the end of the preceding calendar year;
- (c) Summary information showing the number of years the company has been writing the specific line of insurance;
- (d) A written acknowledgment signed by the proposed insured confirming all of the following:
  - (i) The insured has been informed that the coverage will be issued by an insurer (or insurers) that is not an authorized insurer in the state of Washington;
  - (ii) The insured understands that financial requirements for surplus line insurers must be waived by all parties concerned to enable this coverage to be obtained; and
  - (iii) The insured understands that there is no protection for the insured under the Washington Insurance Guaranty Association because the coverage will be issued by an unauthorized insurer;
- (e) For accounts requiring a multiplicity of insurers, in lieu of the requirements in (b) and (c) of this subsection, the commissioner may accept certification from a surplus line broker that the broker has investigated the financial condition of the prospective insurers and is satisfied that they are capable of underwriting the specified risks.

Records and documents supporting the broker's certification must be maintained by the broker for the term of the policies and as long thereafter as a claim may be litigated, but in no case less than five years after completion of the transaction.

(2) In no event will the commissioner waive the financial requirements when the insurer's capital and surplus is less than four million five hundred thousand dollars.