

NC Surplus Lines Compliance Acknowledgement

I, the North Carolina surplus lines licensee, have verified that after a diligent search the producing agent has been unable to obtain the full amount or kind of insurance necessary to protect the risks of this insured from any insurance company licensed to do business in North Carolina; therefore, application is made under article §58- 21-15 of the General Statutes of North Carolina to procure insurance through an insurance company that is not licensed in North Carolina.

I have complied with N.C. Gen. Stat. §58-21-50 and the insured has been notified in writing that:

- (1) For surplus lines insurers that are not a nonadmitted domestic surplus lines insurer, the insurer with which the coverage has been placed is not licensed by this State and is not subject to its supervision and in the event the insurer who issued this policy becomes insolvent, losses will not be paid by any State guaranty or solvency fund.
- (2) For nonadmitted domestic surplus lines insurers, in the event of the insolvency of the surplus lines insurer with which the coverage has been placed, losses will not be paid by any State insurance guaranty or solvency fund.

In addition, I verify that every evidence of insurance negotiated, placed or procured under the provisions of N.C. Gen. Stat. §58-21 issued by this North Carolina surplus lines licensee shall bear the name of the licensee and the following legend in 12 point type and in contrasting color, or in 12 point type and underlined and in bold print:

- (1) For nonadmitted insurers: **“The insurer with which this coverage has been placed is not licensed by the State of North Carolina and is not subject to its supervision. In the event of the insolvency of the insurance company, losses under this policy will not be paid by any State insurance guaranty or solvency fund.”**
- (2) For nonadmitted domestic surplus lines insurers: **“The insurer with which this coverage has been placed is domiciled and authorized by the State of North Carolina and is subject to its supervision. However, in the event of the insolvency of the insurance company, losses under this policy will not be paid by any State insurance guaranty or solvency fund.”**

The original of this document must be retained in the files of the surplus lines licensee and available for inspection by the Commissioner for a period of at least five (5) years.