

2016

Florida Surplus Lines Service Office

4Q16 REPORT

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FLORIDA MARKETPLACE ACTIVITY

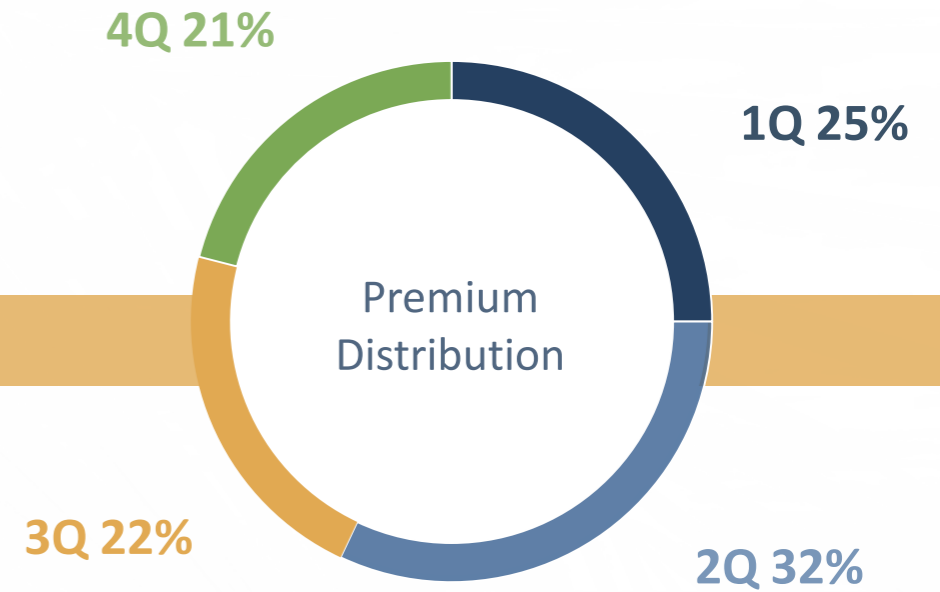
The mission of FLSO is to facilitate compliance. The Service Office not only helps protect consumers seeking insurance in this state, but our work permits surplus lines insurance to be placed with approved surplus lines insurers as well as help provide orderly access to surplus lines insurance in this state. The transaction, policy and premium comparisons reported herein are extracted from data submissions received by FLSO and the Surplus Lines Clearinghouse from surplus lines agents,

agencies, independently procured coverage (IPC) filers and insurers. This data is inclusive of multistate policy information where Florida is recognized as the home state in accordance with the provisions of the Nonadmitted and Reinsurance Reform Act (NRRRA). This data is based upon policy transactions submitted between 10/01/16 and 12/31/16 and is current as of 01/01/17. All figures have been rounded to the nearest dollar amount.

FLORIDA MARKETPLACE






POLICIES & PREMIUM

	4Q TOTAL	YTD
Policies	227,799	994,851
Premium	\$1,056,938,051	\$4,952,069,475



FLORIDA MARKETPLACE






TOP INSURERS BY PREMIUM

	Premium	% of Total Premium	
Lloyd's of London	\$274,347,833	26%	
Lexington Insurance Company	\$74,757,674	7%	
Scottsdale Insurance Company	\$41,657,160	4%	
Evanston Insurance Company	\$30,665,025	3%	
QBE Specialty Insurance Company	\$24,556,590	2%	

Percentages represented above are that of total premium in 4Q16.

FLORIDA MARKETPLACE

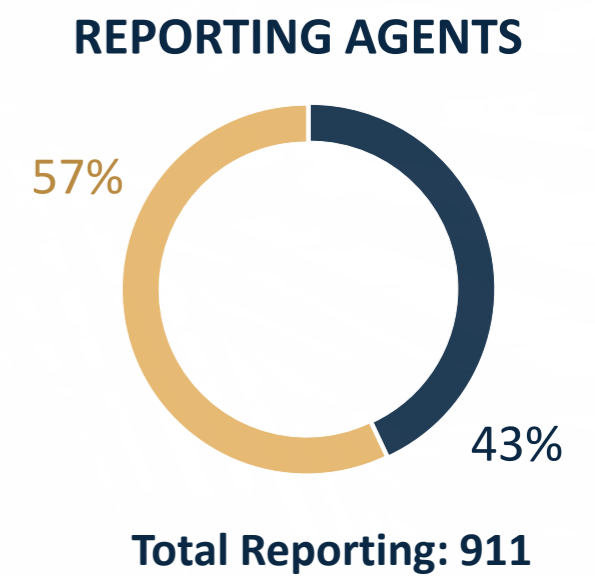
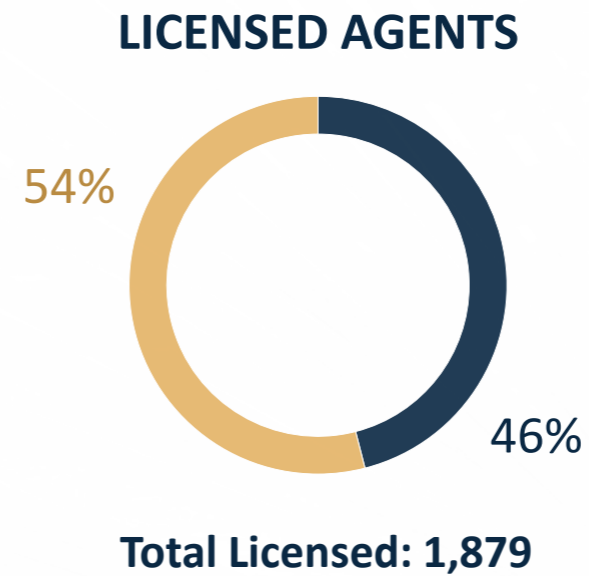
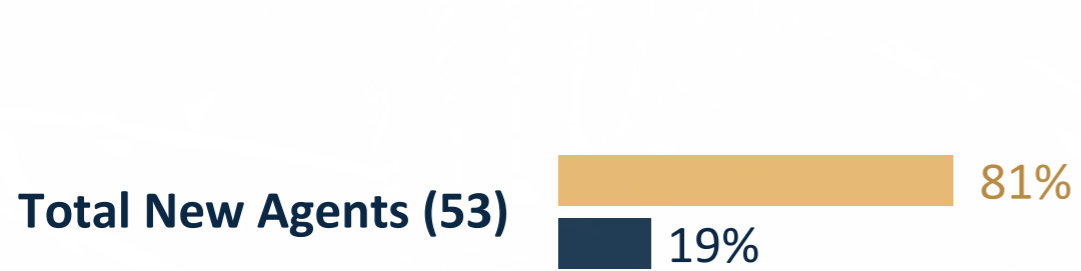
TOP COVERAGES BY PREMIUM

	Premium	Policy Count	% of Total Premium	
Commercial Property (1000)	\$284,197,095	28,064	27%	
Commercial General Liability (5000)	\$189,300,187	44,968	18%	
Commercial Package (1005)	\$71,584,712	18,302	7%	
Homeowners - HO-3 (2002)	\$64,859,219	24,543	6%	
Excess Commercial General Liability (5006)	\$51,326,500	2,441	5%	

Percentages represented above are that of total premium in 4Q16.

FLORIDA MARKETPLACE

AGENT ACTIVITY

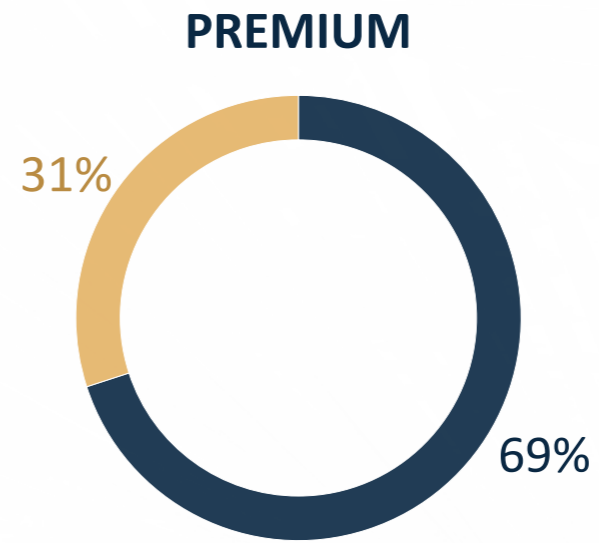
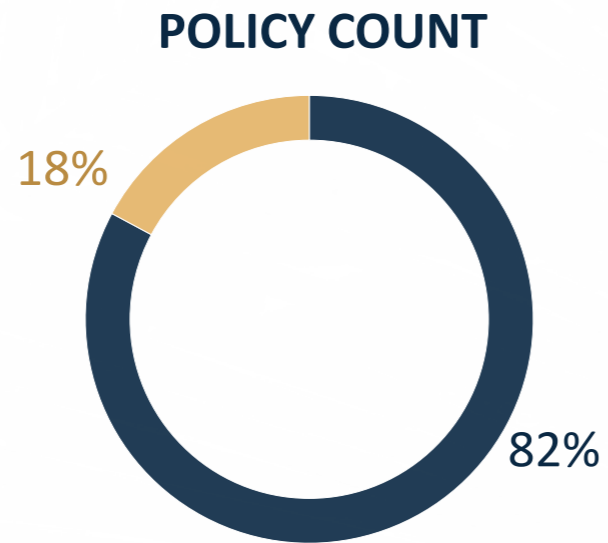


- Resident
- Non-Resident

The above data is inclusive of FLSO agent policy information only.

FLORIDA MARKETPLACE

AGENT ACTIVITY



- Resident
- Non-Resident

The above data is inclusive of FLSO agent policy information only.

MARKETPLACE MONITORING

MONITORING THE MARKETPLACE

To ensure fairness and conformity with the Florida surplus lines law, FLSO monitors and evaluates agent, insurer and independently procured coverage (IPC) data submissions. Our Compliance Review and Premium Reconciliation programs help ensure that Florida licensed agents comply with Florida's laws relative to the sale of surplus lines insurance and measure the quality of service provided in the surplus lines marketplace.

COMPLIANCE REVIEW

Compliance reviews are generally completed on agents once every 3 years and include a basic verification of information such as the policy premiums, tax, fee and assessment calculations, production ledgers, statutorily required disclaimers, diligent effort forms, etc.

PREMIUM RECONCILIATION

Premium reconciliation helps ensure that all taxes and revenues have been submitted in accordance with Florida Statute. The premium reconciliation process compares data submitted by surplus line agents and independently procured coverage (IPC) filers with the data being submitted by surplus lines insurers.

MARKETPLACE MONITORING

COMPLIANCE REVIEW

	4Q	YTD
Compliance Reviews	99	352
Policies Reviewed	4,085	14,873
Transactions Reviewed	4,914	17,574
Unfiled Transactions	370	1,335
Agents with Unfiled Transactions	26	106
Industry Grade	97%	97%
Unfiled Premium	\$1,824,150	\$6,882,867
Taxes, Service Fees, Assessments, and Penalties Recovered	\$101,168	\$395,416

MARKETPLACE MONITORING

PREMIUM RECONCILIATION

	4Q	YTD
Manually Reconciled Transactions	7,755	24,463
Number of Unfiled Transactions	180	527
Unfiled Premium	\$30,192,762	\$78,503,489
Taxes, Service Fees, Assessments, and Penalties Recovered	\$644,711	\$1,717,963

MARKETPLACE MONITORING

FINANCIAL SERVICES

	Number of Agent Invoices	Agent Total	Number of IPC Invoices	IPC Total
FLSO Service Fee	982	\$1,428,152	285	\$12,288
DFS Tax	959	\$46,286,181	279	\$404,362
DEM EMPA	468	\$302,152	27	\$66
Citizens	121	\$5,122	6	\$1,152
FL Hurricane Cat Fund	157	\$38,237	21	-\$2,470
4Q16 TOTAL	2,687	\$48,059,843	618	\$415,399

2,621 Payments Reconciled
Agent 2,454 IPC 167

EDUCATION & OUTREACH

FSLSO is committed to providing timely news and information to our customers to help them make sound and effective decisions. We do this in a number of ways, including but not limited to classroom and online education, webinars, social media, websites and electronic news.

Along with outreach efforts to promote a conversation between FSLSO and its customers, we believe that promoting quality education to our members is the path to promoting both a

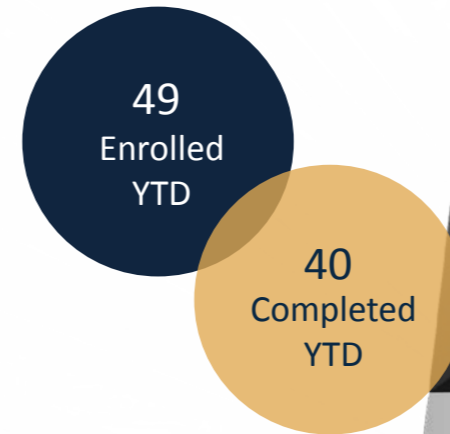
statutorily compliant market and healthy consumer protection. Using in-person and online methods, FSLSO offers a variety of education opportunities, programs and materials to the Florida surplus lines community.

FSLSO also attend various industry conferences and roundtable discussions in order to remain on the forefront of developments in the state and national surplus lines marketplace.

EDUCATION & OUTREACH

COMMUNICATION

4Q	YTD	
35	135	Online education accounts
106	352	Florida Surplus Lines Insurance Study Manuals
15	49	Pre-Licensing Courses
10	65	Surplus lines courses
151	439	Electronic newsletters
5 hrs	23 hrs	Continuing Education



EDUCATION & OUTREACH

WEBSITE

WEB PAGES

Tax/Fee/Assessment Estimator

Home Page

Agent Procedures Manual

Diligent Effort

Insurer Financials

Other

PAGE VIEWS

54,526

15,431

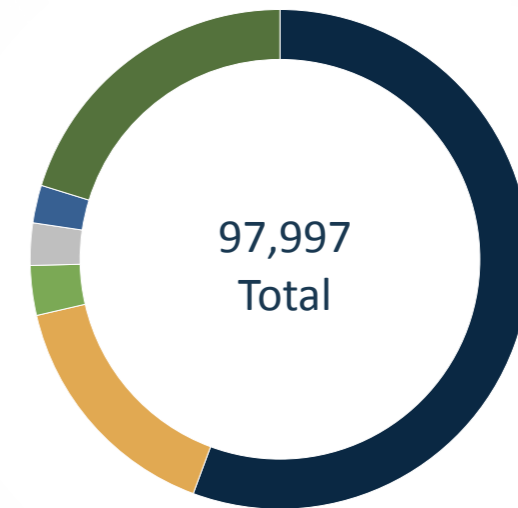
3,153

2,679

2,396

19,812

TOTAL PAGE VIEWS



EDUCATION & OUTREACH

SOCIAL MEDIA



4,828
TWEET IMPRESSIONS

27,523
YTD



2,149
YTD



2,081
LIFETIME

Florida Surplus Lines Service Office

fslso.com

The logo for the Florida Surplus Lines Service Office (FSLSO) is a circular emblem. It features three palm trees of varying heights in the background. In the foreground, the letters 'FSLSO' are written in a large, blue, serif font. The entire logo is set against a dark blue background.