

FLORIDA SURPLUS LINES

● SERVICE OFFICE ●

BULLETIN: 2013-01

TO: FLORIDA SURPLUS LINES AGENTS, SURPLUS LINES INSURERS AND INDEPENDENTLY PROCURED COVERAGE (IPC) FILERS

**FROM: GARY D. PULLEN, EXECUTIVE DIRECTOR
FLORIDA SURPLUS LINES SERVICE OFFICE**

DATE: DECEMBER 11, 2013

SUBJECT: SERVICE OFFICE FEE DECREASED FROM 0.2% TO 0.175%

The purpose of this bulletin is to notify you that the service fee charged by the Florida Surplus Lines Service Office (FSLSO) will be decreased from 0.2% to 0.175% effective April 1, 2014.

All new and renewal policies/certificates with an effective date on or after April 1, 2014 will incur a service fee of 0.175% of the total gross premium as defined in Florida Statute 626.9325. All new and renewal policies/certificates with an effective date prior to April 1, 2014 will incur a service fee of 0.2% of the total gross premium. The service fee percentage charged on the premium is based on the effective date of the policy. The FSLSO service fee is applicable to single state Florida policies only.

The service fee for all endorsements, audits, installments, cancellations or return of premium transactions applicable to policies/certificates effective prior to 04/01/2014 will be the same percentage as the inception date of the policy/certificate being endorsed.

EXAMPLE ONE: The service fee for a policy with an effective date of 01/01/2014 is 0.2% of the total gross premium. An additional premium endorsement to the policy with an endorsement effective date of 06/01/2014 is 0.2%. If a cancellation takes place with an effective date of 08/01/2014, the service fee credit is 0.2%.

EXAMPLE TWO: The service fee for a policy with an effective date of 04/01/2014 is 0.175% of the total gross premium. An additional premium endorsement to the policy with an effective date of 06/01/2014 is 0.175%. If a cancellation takes place with an effective date of 08/01/2014, the service fee credit is 0.175%.

The service fee is set by order of the Office of Insurance Regulation. For an electronic copy of this order, please visit: <http://www.fslso.com/publications/press/OIR/OIR.Budget.2014.pdf>

Business rules for calculating the correct service fee will be programmed into FSLSO's management system. No changes need be made for SLIP or XML batch filing. However, you may need to contact your agency's information technology vendor or staff regarding needed revisions to your agency management system that may be necessary to calculate the revised service fee.

For further information contact the FSLSO toll-free at 1-800-562-4496 or visit www.fslso.com.