

FLORIDA SURPLUS LINES
● SERVICE OFFICE ●

FSLSO Bulletin 06-01

**TO: FLORIDA SURPLUS LINES AGENTS AND
INDEPENDENTLY PROCURED COVERAGE FILERS**

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

DATE: MARCH 8, 2006

SUBJECT: MULTI-YEAR CONTRACTS

The purpose of this bulletin is to inform you that the Florida Surplus Lines Service Office (FSLSO) is implementing a new procedure for filing multi-year contracts including, but not limited to, Lenders Forced Placed Programs and Builders Risk. The purpose of this procedural change is to match current year premium transactions with current year service office fee and assessments rates.

Effective immediately, you will be required to file multi-year contracts as annual policies, and renewals on the policies' annual anniversary.

The following example demonstrates how to comply with this new procedure:

On 1/1/2005 you filed a force placed program as a new business transaction with an expiration date of 1/1/2010. Any additional and/or return premium endorsements issued within the 2005 policy year would be subject to the appropriate service office fee rate of .25% and the Citizens assessment would not apply.

You would then file a renewal transaction on 1/1/2006 (the annual anniversary of the policy above). The renewals, as well as any additional and/or return premium endorsements for this policy year, would be subject to the appropriate service office fee rate of .25% and the Citizens assessment of 6.84% will apply (subject only to appropriate coverage codes).

On 1/1/2007, you will file another renewal. Any additional and/or return premiums for this policy year would be subject to the new service office fee rate of .2% and any new Citizens assessment that may be in place (subject only to appropriate coverage codes).

This process will continue for the life of the contract.

If you have any questions concerning this bulletin, please contact Matt Wester at 800-562-4496, ext.103 or Tiffany Maruniak at ext. 113.