

Defined terms: "Authorized insurer" § 1-101

"Person" § 1-101

"Qualified financial institution" § 8-501

"Reinsurance broker" § 8-501

"Reinsurer" § 8-501

8-514. RECORDS OF REINSURANCE BROKER.

(A) REQUIRED.

A REINSURANCE BROKER SHALL KEEP A RECORD OF EACH TRANSACTION THAT RELATES TO A CONTRACT OF REINSURANCE TRANSACTED BY THE REINSURANCE BROKER FOR AT LEAST 10 YEARS AFTER THE CONTRACT EXPIRES.

(B) CONTENTS.

FOR EACH CONTRACT OF REINSURANCE, THE RECORD REQUIRED BY THIS SECTION SHALL INCLUDE:

(1) THE TYPE OF CONTRACT, LIMITS, UNDERWRITING RESTRICTIONS, CLASSES OR RISKS, AND TERRITORY;

(2) THE PERIOD OF COVERAGE, INCLUDING EFFECTIVE AND EXPIRATION DATES, CANCELLATION PROVISIONS, AND REQUIRED NOTICE OF CANCELLATION;

(3) THE REQUIREMENTS FOR REPORTING AND SETTLING BALANCES;

(4) THE RATE USED TO COMPUTE THE REINSURANCE PREMIUM;

(5) THE NAMES AND ADDRESSES OF ASSUMING REINSURERS;

(6) THE RATES OF ALL REINSURANCE COMMISSIONS, INCLUDING COMMISSIONS ON ANY RETROCESSIONS HANDLED BY THE REINSURANCE BROKER;

(7) PROOF OF PLACEMENT;

(8) DETAILS OF RETROCESSIONS HANDLED BY THE REINSURANCE BROKER, INCLUDING THE IDENTITY OF RETROCESSIONAIRES AND THE PERCENTAGE OF EACH CONTRACT ASSUMED OR CEDED;

(9) FINANCIAL RECORDS, INCLUDING PREMIUM AND LOSS ACCOUNTS; AND

(10) ANY RELATED CORRESPONDENCE AND MEMORANDA.

(C) EVIDENCE OF ASSUMPTION OF REINSURANCE.

IN ADDITION TO THE RECORDS REQUIRED BY THIS SECTION, A REINSURANCE BROKER SHALL KEEP WRITTEN EVIDENCE THAT THE ASSUMING REINSURER:

(1) HAS AGREED TO ACCEPT THE RISK, IF THE REINSURANCE BROKER, WHILE ACTING FOR A CEDING AUTHORIZED INSURER, PROCURED A REINSURANCE CONTRACT DIRECTLY FROM AN ASSUMING REINSURER; AND