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BULLETIN 17-EX-1

TO: All insurance companies, brokers, and agents selling, soliciting, or negotiating surplus line insurance in the State of Georgia

FROM: Ralph T. Hudgens, Insurance & Safety Fire Commissioner

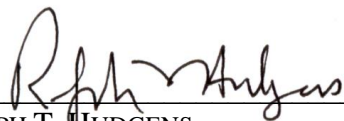
DATE: September 25, 2017

RE: Unauthorized fees

The purpose of this Bulletin is to remind surplus line insurers and brokers that it is unlawful to charge customers added fees in conjunction with the sale of a surplus line insurance policy. With specific exceptions, a surplus line insurer or broker may not collect any sum in excess of the premiums and charges for insurance specified by the insurer in the insurance policy.¹

Pursuant to O.C.G.A. § 33-6-5(6)(B)(ii), collecting any sum in excess of the monies specified in the insurance policy would be considered an unfair method of competition and unfair and deceptive act or practice in the business of insurance. The Commissioner is authorized to impose a monetary penalty of up to \$5,000.00 for each and every act or violation of the Georgia Unfair Trade Practices Act. See O.C.G.A. § 33-6-8. All surplus line insurers and brokers should take notice and govern themselves accordingly.

If you have any questions regarding this Bulletin, contact the Department's Legal Division at (404) 656-2060 or by email at enforcement@oci.ga.gov.



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STATE OF GEORGIA

¹ Georgia law specifically authorizes licensed surplus line brokers to charge and collect applicable state and federal taxes in addition to the premium required by the insurer. See O.C.G.A. § 33-6-5(b).