

MANAGING GENERAL AGENT (MGA) EXEMPTION FILING FORM

Alaska Statute (AS) 21.27.620(a)(2) states that an insurer may not transact business with a Managing General Agent (MGA) unless the managing general agent is licensed under this chapter.

“Managing General Agent” means a person who

- (A) manages all or part of the insurance business of an insurer, including the managing of a separate division, department, or underwriting office; and
- (B) acts as an agent for an insurer, whether known as a managing general agent, manager, or other similar term, who, with or without the authority, separately or together with affiliates, produces, directly or indirectly, and underwrites an amount of gross direct written premium equal to or more than five percent of the policyholder surplus as reported in the last annual statement of the insurer in any one quarter or year together with the following activity related to the business produced, adjusts or pays claims over \$10,000 a claim, or negotiates reinsurance on behalf of the insurer.

A person may qualify for exemption if they meet the parameters described below. An exemption from the MGA license requirement may be obtained under AS 21.27.620(a)(2) if:

- ✓ the person represents only foreign insurer(s) as an MGA; and
- ✓ the person is currently licensed as an MGA in its home state; and
- ✓ the person’s resident state is accredited by the National Association of Insurance Commissioners (NAIC); and
- ✓ the person’s home state has enacted provisions substantially similar to those contained in Alaska law.

If a person is not licensed as an MGA in their home state but acts as an MGA for an insurer within the insurer’s company holding system, the person may qualify for exemption under AS 21.27.010(f) that states:

A person who performs management services under a written contract for an admitted insurer is not required to be licensed as a managing general agent if

- (1) either
 - (A) the person is a United States manager of the United States branch of an alien admitted insurer; or
 - (B) the person’s compensation is not based on the volume of premium written; and
- (2) the person
 - (A) is a wholly-owned subsidiary of the admitted insurer;
 - (B) wholly owns the admitted insurer; or
 - (C) is a wholly-owned subsidiary of the insurance holding company subject to AS 21.22 that owns or controls the admitted insurer.

Alaska Statute 21.27.620(a)(2) requires a person to file for exemption with our division.

TO FILE FOR EXEMPTION WITH OUR OFFICE, YOU MUST SUBMIT:

1. The Managing General Agent Exemption Form 08-260.
2. If you file under AS 21.27.010(f), you must provide a notarized statement that the person is not compensated based on the volume of premium written and a copy of the most recently filed Form B filed with the insurance department of the insurer’s domestic state you represent.

1	APPLICANT NAME _____				
	If Individual: Date of Birth _____ Social Security No. _____				
2	TYPE OF BUSINESS Check the legal business type, license class(es) and line(s) of authority for which you are applying. Check the last column if you have been previously licensed in Alaska: Legal Business Type C – Corporation P – Partnership S – Sole Proprietorship LLC – Limited Liability Corporation LLP – Limited Liability Partnership				
	Legal Business Type	Incorporation/Formation Date		FEIN	State of Domicile
	C P S LLC LLP	(month)____(day)____(year)_____			Country of Domicile
3	Business Physical Address		City	State	Zip or Foreign Country
	Mailing Address		P.O. Box	City	State
	Business Telephone Number		Business Fax Number	Business Website Address	Business E-mail Address
4	LINES OF INSURANCE				
	<input type="checkbox"/> Life		<input type="checkbox"/> Property		
	<input type="checkbox"/> Health		<input type="checkbox"/> Casualty		
	<input type="checkbox"/> Variable Annuity/Variable Life		<input type="checkbox"/> Surety		
	<input type="checkbox"/> Credit		<input type="checkbox"/> Personal Lines		
5	INSURER(S) REPRESENTED				
	Provide the name and NAIC co-code number of all insurers you represent as an MGA in this state. If the insurer is domiciled in a state <u>not</u> accredited with the National Association of Insurance Commissioners (NAIC), a copy of the executed contract must be provided.				
	NAME			NAIC CO-CODE #	
6	Identify under what provision you are claiming exemption: Option 1 I/the firm represent only foreign insurer(s) as an MGA; and I/the firm is currently licensed as an MGA in its home state; and _____ is accredited by the National Association of Insurance Commissioners Home State _____ has enacted provisions substantially similar to those contained in Alaska law. Home State Option 2 Mark either A or B below and indicate whether 1, 2, or 3 applies. A. <input type="checkbox"/> the firm is a United States manager of the United States branch of an alien admitted insurer; or B. <input type="checkbox"/> my/the firm's compensation is not based on the volume of premium written; and 1. <input type="checkbox"/> the firm is a wholly-owned subsidiary of the admitted insurer; 2. <input type="checkbox"/> the firm wholly owns the admitted insurer; or 3. <input type="checkbox"/> the firm is a wholly-owned subsidiary of the insurance holding company subject to AS 21.22 that owns or controls the admitted insurer. Attached is my/our statement that compensation received is not based on premium volume and a copy of the most recently filed Form B filed with the insurance department of the insurer's domestic state.				

7	INDIVIDUAL DESIGNATED AS COMPLIANCE OFFICER/INDIVIDUAL		
	Last	First	Middle
	Title		

8	BACKGROUND INFORMATION
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Please read the following very carefully and answer every question:

1. Have you, the business, or any owner, partner, officer, or director ever been convicted of, or are you currently charged with committing a crime, whether or not adjudication was withheld? Yes No

"Crime" includes a misdemeanor, felony, or a military offense. You may exclude misdemeanor traffic citations and juvenile offenses.

"Convicted" includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere, or having been given probation, a suspended sentence or a fine.

If you have a felony conviction that involves dishonesty or breach of trust, have you applied for a waiver as required by 18 U.S.C. 1033? N/A Yes No

If so, was that waiver granted? (Attach copy of 1033 waiver approved by home state.) N/A Yes No

If you answer yes, you must attach to this application:

- a) a written statement explaining the circumstances of each incident,
- b) a certified copy of the charging document, and
- c) a certified copy of the official document which demonstrates the resolution of the charges or any final judgment.

2. Has the firm or any owner, partner, officer, or director ever been involved in an administrative proceeding regarding any professional or occupational license? Yes No

"Involved" means having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, placed on probation or surrendering a license to resolve an administrative action. "Involved" also means being named as a party to an administrative or arbitration proceeding which is related to a professional or occupational license. "Involved" also means having a license application denied or the act of withdrawing an application to avoid a denial. You may exclude terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee.

If you answer yes, you must attach to this application:

- a) a written statement identifying the type of license and explaining the circumstances of each incident,
- b) a copy of the Notice of Hearing or other document that states the charges and allegations, and
- c) a copy of the official document which demonstrates the resolution of the charges or any final judgment.

3. Has any demand been made or judgment rendered against you or the firm or any owner, partner, officer, or director for overdue monies by an insurer, insured or producer, or have you ever been subject to a bankruptcy proceeding? Yes No

If you answer yes, submit a statement summarizing the details of the indebtedness and arrangements for repayment, and/or type and location of bankruptcy.

4. Has the firm or any owner, partner, officer, or director ever been found liable in, any lawsuit or arbitration proceeding involving allegations of fraud, misappropriation or conversion of funds, misrepresentation, or breach of fiduciary duty? Yes No

If you answer yes, you must attach to this application:

- a) a written statement summarizing the details of each incident,
- b) a copy of the Petition, Complaint, or other document that commenced the lawsuit or arbitration, and
- c) a copy of the official document which demonstrates the resolution of the charges or any final judgment.

5. Has the firm or any owner, partner, officer, or director ever had an insurance agency contract or any other business relationship with an insurance company terminated for any alleged misconduct? Yes No

If you answer yes, you must attach to this application:

- a) a written statement summarizing the details of each incident and explaining why you feel this incident should not prevent you from receiving an insurance license, and
- b) copies of all relevant documents.

CERTIFICATION AND ATTESTATION

I hereby certify under penalty of perjury, that:

1. All of the information submitted in this application and attachments is true and complete and I am aware that submitting false information or omitting pertinent or material information in connection with this application is grounds for license or registration revocation and may subject me to civil or criminal penalties.
2. Where required by law, I hereby designate the Director of Insurance to be its agent for service of process regarding all insurance matters and agree that service upon the Alaska Director of Insurance is of the same legal force and validity as personal service upon me.
3. I grant permission to the Director of Insurance for which this application is made to verify any information supplied with any federal, state or local government agency, current or former employer or insurance company.
4. I authorize the State of Alaska to give any information it may have concerning me to any federal, state or municipal agency, or any other organization and I release the State of Alaska and any person acting on their behalf from any and all liability of whatever nature by reason of furnishing such information.
5. I acknowledge that I am familiar with the Alaska insurance laws and regulations to which I am applying for licensure.

Must be signed by the Compliance Officer

Signature

Date