

2023 Kansas Statutes

40-4503. Licensure of reinsurance brokers, managers and intermediaries, application fee; nonresidents, designation of agent for service of process; refund of commissioner to issue license; exemption for attorneys. (a) No person, firm, association or corporation shall act as a reinsurance broker in this state if the reinsurance broker maintains an office either directly or as a member or employee of a firm or association, or as an officer, director or employee of a corporation:

(1) In this state, unless such reinsurance broker is a licensed producer in this state; or

(2) in another state, unless such reinsurance broker is a licensed producer in this state or another state having a law substantially similar to this act or such reinsurance broker is licensed in this state as a nonresident reinsurance intermediary.

(b) No person, firm, association or corporation shall act as a reinsurance manager:

(1) For a reinsurer domiciled in this state, unless such reinsurance manager is a licensed producer in this state;

(2) in this state, if the reinsurance manager maintains an office either directly or as a member or employee of a firm or association, or an officer, director or employee of a corporation in this state, unless such reinsurance manager is a licensed producer in this state;

(3) in another state for a nondomestic insurer, unless such reinsurance manager is a licensed producer in this state or another state having a law substantially similar to this act or such person is licensed in this state as a nonresident reinsurance intermediary.

(c) The commissioner may require a reinsurance manager subject to subsection (b) to file a bond in an amount from an insurer acceptable to the commissioner for the protection of each reinsurer represented.

(d) (1) The commissioner may issue a reinsurance intermediary license to any person, firm, association or corporation who has complied with the requirements of this act. Before any such license may be issued, the applicant shall submit proper application therefor on a form prescribed by the commissioner which shall be accompanied by an initial fee of \$150. Any license so issued shall remain in effect until suspended, revoked, voluntarily surrendered or otherwise terminated by the commissioner or licensee subject to payment of an annual continuation fee of \$100 on or before May 1 of each year. Any such license issued to a firm or association will authorize all the members of such firm or association and any designated employees to act as reinsurance intermediaries under the license, and all such persons shall be named in the application and any supplements thereto. Any such license issued to a corporation shall authorize all of the officers, and any designated employees and directors thereof, to act as reinsurance intermediaries on behalf of such corporation, and all such persons shall be named in the application and any supplements thereto.

(2) If the applicant for a reinsurance intermediary license is a nonresident, such applicant, as a condition precedent to receiving or holding a license, shall designate the commissioner as agent for service of process in the manner, and with the same legal effect, as is provided for by this act for designation of service of process upon insurers holding a Kansas certificate of authority. Such applicant shall furnish the commissioner with the name and address of a resident of this state upon whom notices or orders of the commissioner or process affecting such nonresident reinsurance intermediary may be served. Such licensee shall promptly notify the commissioner in writing of every change in its designated agent for service of process, and such change shall not become effective until acknowledged by the commissioner.

(e) The commissioner may, after a hearing conducted in accordance with the provisions of the Kansas administrative procedure act, held on not less than 20 days' notice, refuse to issue a reinsurance intermediary license if, in the judgment of the commissioner, the applicant, any one named on the application, or any member, principal, officer or director of the applicant, is not trustworthy, or any controlling person of such applicant is not trustworthy to act as a reinsurance intermediary, or

any of the foregoing has given cause for revocation or suspension of such license, or has failed to comply with any prerequisite for the issuance of such license.

(f) Licensed attorneys at law in this state when acting in their professional capacity as such shall be exempt from this section.

History: L. 1992, ch. 15, § 3; L. 2004, ch. 159, § 4; May 27.