

LINE OF BUSINESS: Surety

LINE(S) OF INSURANCE  
Surety

CODES  
24.0004

Code: 24.0000

IF CHECKLIST IS NOT APPLICABLE, PLEASE EXPLAIN:

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REVIEW REQUIREMENTS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS	LOCATION OF STANDARD IN FILING
GENERAL REQUIREMENTS FOR ALL FILINGS			
COPIES	<a href="#">O.R. 365: 15-1-3(b)(4)</a> <a href="#">O.R. 365: 15-7-3(b)(4)</a>	All filings except those exempted shall be submitted through the System for Electronic Rate and Form Filing (SERFF) pursuant to the SERFF General Instructions. All paper filings including the cover letter, all exhibits, forms and additional information submitted to the Insurance Commissioner shall be typewritten or printed and submitted with one (1) legible copy of all material.	
COVER LETTER AND EXPLANATORY MEMORANDUM			
DELIVERY OF POLICY	<a href="#">365: 15-1-3(b)(19)</a>	The insured shall be furnished with either: The original policy; a copy of the original policy or a duplicate policy printed with ten point or larger or type; or a certificate including provisions and conditions of the original policy printed with ten point or larger type.	
FILING SUBMISSION	<a href="#">O.R. 365:15-1-3</a> <a href="#">O.R. 365 15-7-3</a>	Filing requirements.	
EFFECTIVE DATE WORDING	<a href="#">36 O.S. 3613(B)(5)</a>  <a href="#">O.R. 365:15-1-13</a>	Every policy shall specify: The time when the insurance thereunder takes effect and the period during which the insurance is to continue.  All policies shall expire at 12:01 a.m. Standard Time on the expiration date stated in the policy.	

REVIEW REQUIREMENTS	REFERENCE	DESCRIPTION OF REVIEW STANDARDS REQUIREMENTS	LOCATION OF STANDARD IN FILING
FREE CONTRACT PROHIBITED			
LIMITATIONS/RESTRICTIONS ON TRANSACTING BUSINESS			
LINE OF AUTHORITY			
SIDE-BY-SIDE COMPARISON	<a href="#">O.R. 365:15-1-3(b)(9)(D)</a> <a href="#">O.R. 365: 15-7-3(b)(10)(D)</a>	A complete description and full explanation of the changes made by the filing including, reasoning therefore, illustrative examples, including "John Doe" specimen form, and a comparison of currently approved and proposed materials.	
NAIC #			
THIRD PARTY FILERS AUTHORITY			
NO FILE OR FILING EXEMPTIONS	<a href="#">36 O.S. 997 A.1, 2 and 3</a>	The following special risks are exempted from filing and review: risks written on an Excess and Umbrella basis, commercial lines risks which produce a minimum annual premium total of Ten Thousand Dollars (\$10,000.00) and Specifically designated special risks.(See 3.a., 3.b., 3.c., 3.d., 3.e., 3.f., and 3.g.)	
ACCESS TO COURTS			
AMBIGUOUS & MISLEADING	<a href="#">36 O.S. 3611 (A)(2)(3)</a>	Commissioner shall disapprove any form or withdraw any previous approval if it contains or incorporates by reference any inconsistent, ambiguous or misleading clauses or exceptions.  Coverage(s) must be identified within each endorsement. The name of the coverage form(s) or name of the policy(s) that the form(s) amends or is attached.	
APPLICATIONS	<a href="#">36 O.S. 3610</a>	If an application is attached to and made a part of the policy, it must be submitted for approval.	
APPRAISALS			
BLANK ENDORSEMENTS	<a href="#">O.R. 365:15-1-19</a>	An endorsement to an insurance policy without specific language is not a complete form and shall not be approved. The Insurance Commissioner may approve a blank endorsement if the insurer provides a detailed description of how the form will be used.	

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ARBITRATION	<a href="#">Cannon v. Lane, 867 P.2d 1235</a>  <a href="#">OK Bulletin PC 2010-05</a>  <a href="#">36 O.S. 3636</a>	<p>Binding arbitration provisions shall not be included in any insurance contract or policy language as it is “contrary to public policy and is unenforceable.”</p> <p>Arbitration clauses that are taken under consideration.</p> <p>Allows for either parties to submit their differences to arbitration but indicates that if agreement by arbitration is not reached with three months the insured may sue the tort-feasor.</p>	
CANCELLATION & NON-RENEWAL	<a href="#">36 O.S. 3639</a>	<p>Policies that have been in effect for more than 45 business days may only be cancelled for 8 specific reasons. Non-renewal notice must give named insured 45 days notice, if less than 45 days, policy must remain in effect until 45 business days after notice is given. Insurer must give named insured written notice of premium increase, change in deductible or reduction in limits at least 45 days prior to expiration.</p>	
CERTIFICATE OF INSURANCE FORMS	<a href="#">36 O.S. 3640</a>  <a href="#">OK Bulletin PC 2008-01</a>	<p>Certificates of Insurance must be filed and contain the following or similar statement: “This certificate of Insurance is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend, or alter the coverage, terms, exclusions and conditions afforded by the policies referenced.”</p>	
Minimum Retained Premium	<a href="#">36 O.S. 3623.1</a>	<p>A minimum premium charge is considered premium within the definition of this Code, and shall be subject to premium tax as provided in this Code. Minimum premium charge is the smallest acceptable premium for which an insurance company will write a policy. This minimum charge is necessary to cover fixed expenses, other than those expenses defined as fees above, in placing the policy on the books. A minimum premium charge includes, but is not limited to, minimum earned premium and minimum retained premium. An insurance consultant, insurance producer, limited lines producer, managing general agent or surplus lines insurance broker cannot charge a duplicate fee or minimum premium charge.</p>	

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Notice of Cancellation	<a href="#">36 O.S. 3639</a>		
Notice of Non-Renewal	<a href="#">36 O.S. 3639</a>		
Permissible Reasons for Cancellation	<a href="#">36 O.S. 3639</a>		
Permissible Reasons for Non-Renewal			
Required Policy Period	<a href="#">36 O.S. 3613(B)(5)</a>	Every policy shall specify: The time when the insurance thereunder takes effect and the period during which the insurance is to continue.	
Return Premium	<a href="#">36 O.S. 1241.1</a>	Every policy shall contain a provision relating to process for premium refund if the insured cancels the policy prior to the end of policy period.	
Suspension			
CLAIMS MADE POLICIES – Notice and Extended Reporting	<a href="#">O.R. 365:15-1-3 (b)(22) A. and B.</a>	(A) The policy Application and the Declarations page of each claims-made policy shall include a conspicuous notice indicating that the contract is a claims-made policy and advising the policyholder to read its provisions.  (B) The policy shall provide for extended reporting period options based on rules, rates or rating plans approved by the Insurance Commissioner. If so stated in the policy, the extended reporting period options shall not be required to be offered if a policy is cancelled for nonpayment of premium or a material representation or fraud.	
CLEAR & UNAMBIGUOUS LANGUAGE	<a href="#">36 O.S. 3611 (A)(2)(3)</a>	Grounds for Disapproval of Forms if it contains or incorporates by reference any inconsistent, ambiguous or misleading clauses, or exceptions and conditions which deceptively affect the risks purported to be assumed in the general coverage of the contract.  Coverage(s) must be identified within each endorsement. The name of the coverage form(s) or name of the policy(s) that the form(s) amends or is attached.	
CONSUMER INFORMATION			
Credit Scoring Notice		Disclosure statement required on applications.	
Notification Form		Explaining reasons for adverse actions.	
VSI Warning			
CONTENT OF POLICIES	<a href="#">36 O.S. 3613</a>	Contents of policies in general see statute for requirements.	

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COUNTERSIGNATURES			
DECLARATIONS PAGE	<a href="#">36 O.S. 3610</a>	Must be filed for approval.	
DISCLOSURES			
DEFINITIONS			
DISCRIMINATION			
DUTY TO DEFEND			
EXCLUSIONS & LIMITATIONS	<a href="#">O.R. 365:15-1-3(b)(20)</a>	Any endorsement which eliminates or restricts coverage and which is issued during the policy term shall be identified as accepted by the insured, by the signature of the insured thereon, and a signed copy (original or computer generated) of such endorsement shall be retained in the files of the insurer for one year after the expiration of the policy.	
FICTITIOUS GROUPS	<a href="#">36 O.S. 6001</a> <a href="#">36 O.S. 6001.1</a> <a href="#">36 O.S. 6002</a> <a href="#">O.R. 365:15-1-7</a>	No insurer, admitted or non-admitted, shall make available through any rating plan or form, property, marine, vehicle, casualty or surety insurance to any firm, corporation, or association of individuals, any preferred rate or premium based upon any fictitious grouping of such firm, corporation or association of individuals.	
FORMS MISCELLANEOUS	<a href="#">36 O.S. 3610</a>	Prior approval, 60 days.	
FRAUD WARNING	<a href="#">36 O.S. 3613.1</a> <a href="#">O.R. 365: 15-1-10(c)</a>	Every insurance policy or application and every insurance claim form shall contain a statement that clearly indicates in substance the following: "WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony." (Print in 10 point type or larger).	
Terrorism Exclusion	<a href="#">Bulletin No PC 2006-03</a>	Not available for this coverage	
LOSS PAYEE			
LOSS SETTLEMENTS			
INSURER'S NAME AND ADDRESS	<a href="#">O.R. 365: 15-1-10(b)</a>	Insurer's name and address required on policy.	

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Appraisal			
Action Against Company	<a href="#">36 O.S. 3617</a>	<p>No policy delivered or issued for delivery in Oklahoma and covering a subject of insurance resident, located, or to be performed in Oklahoma, shall contain any condition, stipulation or agreement</p> <p>(1) requiring such policy to be construed according to the laws of any other state or country, except as necessary to meet the requirements of the motor vehicle financial responsibility laws or compulsory disability benefit laws of such other state or country, or</p> <p>(2) preventing the bringing of an action against any such insurer for more than six (6) months after the cause of action accrues, or</p> <p>(3) limiting the time within which an action may be brought to a period of less than two (2) years from the time the cause of action accrues in connection with all insurances other than property and marine and transportation insurances; in property and marine and transportation policies such time shall not be limited to less than one (1) year from the date of occurrence of the event resulting in the loss. Any such condition, stipulation or agreement shall be void, but such voidance shall not affect the validity of the other provisions of the policy.</p>	
Deductibles			
Loss Valuation			
NOTICE REQUIREMENTS			
Payment of Loss Time Period	<a href="#">36 O.S. 1250.7</a>	Within 45 days after receipt of properly executed proofs of loss, claimant shall be advised of acceptance/denial or further investigation necessary.	
MINIMUM STANDARDS FOR CONTENT (POLICIES AND STANDARD FORMS)	<a href="#">O.R. 365: 15-1-3(b)(19)</a>	<p>Delivery of policy to the insured.</p> <p>(A) The original policy;</p> <p>(B) A copy of the original policy or a duplicate policy printed with ten point or larger type; or</p> <p>(C) A certificate including provisions and conditions of the original policy printed with ten point or larger type.</p>	
PREMIUM REFUND	<a href="#">36 O.S. 1241.1</a>	Every policy shall contain a provision relating to process for premium refund if the insured cancels the policy prior to the end of policy period.	

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PARTICIPATING POLICIES	<a href="#">36 O.S. 2121</a>	If so provided in its articles of incorporation, a domestic stock or domestic mutual insurer may issue any or all of its policies with or without participation in profits, savings, or unabsorbed portions of premiums, may classify policies issued on a participating or nonparticipating basis, and may determine the right to participate and the extent of participation of any class or classes of policies. No dividend, otherwise earned, shall be made contingent upon the payment of renewal premium on any policy.	
PREMIUM AUDIT			
PRIOR APPROVAL	<a href="#">36 O.S. 3610</a>	Policy forms must be approved prior to use.	
PUNITIVE DAMAGES	Dayton Hudson Corp. v. American Mutual Liability Insurance Co. 621 P.2d 1155	Punitive damages are not an insurable loss under current Oklahoma law with the exception of liability vicariously imposed on an employer for the tort of an employee.	
READABILITY			
REBATES	<a href="#">36 O.S. 1204(8)</a>	Not permitted directly or indirectly.	
SUBROGATION			
Suit	<a href="#">36 O.S. 3617</a>	No policy delivered or issued for delivery in Oklahoma shall prevent the bringing of an action against any such insurer for more than six (6) months after the cause of action accrues, or (3) limiting the time within which an action may be brought to a period of less than two (2) years from the time the cause of action accrues in connection with all insurances other than property and marine and transportation insurances; in property and marine and transportation policies such time shall not be limited to less than one (1) year from the date of occurrence of the event resulting in the loss. Any such condition, stipulation or agreement shall be void, but such voidance shall not affect the validity of the other provisions of the policy.	

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VOIDANCE	<a href="#">Kincaid v. Black Angus Motel, Inc., 1999 OK 54, 983 P.2d 1016, 1020.</a>	A contract that is voidable may be rescinded or cancelled; it may not be voided.	
WARRANTIES	<a href="#">36 O.S. 3609</a>	All statements and descriptions in any application for an insurance policy or in negotiations, by or in behalf of the insured, shall be deemed to be representations and not warranties.	
OTHER			
Execution of Policies	<a href="#">36 O.S. 3618</a>	Every policy must be signed (facsimile) by officer.	
Policy Restrictions Voided	<a href="#">36 O.S. 3617</a>	No policy shall be construed according to the laws of another state, except to meet motor vehicle financial responsibility laws, or can limit the time an action can be brought against an insurer except as provided by this statute.	
Withdrawal of Pending Filings	<a href="#">O.R. 365:15-1-3(b)(10)</a>	Pending filings may be withdrawn by the filing entity upon notice to the Insurance Department prior to the approval or disapproval.	
Filing Fees	<a href="#">36 O.S. 348.1</a>	Form filings-\$50.00 for each individual insurer.	
Exclusionary Endorsement	<a href="#">O.R. 365:15-1-3(b)(20)</a>	Endorsements that eliminate or restrict coverage issued during the policy term must be signed by the insured.	
Unfair Discrimination - Blindness	<a href="#">O.R. 365:15-1-9</a>	Prohibits unfair discrimination.	
GROUP FILINGS	<a href="#">O.R. 365: 15-1-3(b)(13)</a>	Filings that are made on behalf of more than one insurer, shall list the insurer or insurers by individual name and not by Company group.	
Coverage of Trustor	<a href="#">36 O.S. 3616.1</a>	Unless specifically excluded, a trustor of property shall be a named insured.	
Postage Requirements	<a href="#">O.R. 365: 15-1-3 (9)</a>	No submissions shall be accepted which arrive at the offices with postage due. No submissions will be returned unless the necessary postage accompanies the same.	



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Rating/Advisory Organization	<a href="#">O.R. 365: 15-1-3(b)(12)</a> <a href="#">O.R. 365: 15-1-3(b)(14)</a> <a href="#">O.R. 365: 15-1-3(b)(16)</a>	Insurers may deviate from its rating organization's filings. Members of or subscribers to a licensed advisory organization. Reference filings.  NOTE: Please tell us if you are a member or subscriber to an Rating/advisory organization.	
<b>RATE, RULE, RATING PLAN, CLASSIFICATION, AND TERRITORY FILING REQUIREMENTS</b>			
Rate/Rule Filings	<a href="#">36 O.S. 997 A.3.f.</a>	Surety Rates/Rules are exempt from filing.	