

**ATTACHMENT 2**

*Tenn. Code Ann. § 56-14-105*

TENNESSEE CODE ANNOTATED  
© 2015 by The State of Tennessee  
All rights reserved

\*\*\* Current through the 2014 Regular Session and amendments approved at the November 4, 2014 General Election \*\*\*

Title 56 Insurance  
Chapter 14 Surplus Lines Insurance  
Part 1 Surplus Lines Insurance Act

Tenn. Code Ann. § 56-14-105 (2014)

**56-14-105. Eligibility for surplus lines insurance.**

(a) No insurance coverage shall be eligible for surplus lines insurance unless the full amount of insurance required is not procurable, after a diligent effort has been made to do so, from among the authorized companies licensed to transact and actually writing such kind and class of insurance in this state, and the amount of insurance eligible for surplus lines shall be only the amount in excess of the amount procurable from licensed insurers.

(b) Subsection (a) shall not apply to exempt commercial purchasers if the surplus lines agent procuring or placing the policy has disclosed to the exempt commercial purchaser that such insurance may or may not be available from admitted companies that may provide greater protection with more regulatory oversight, and the exempt commercial purchaser has subsequently requested in writing that the surplus lines agent procure or place such insurance from a nonadmitted company.

(c) Policy or contract forms shall not be eligible unless the use:

(1) Is reasonably necessary for the principal purposes of the coverage;

(2) Would not be contrary to the purposes of the coverage; or

(3) Would not be contrary to the purposes of this part with respect to the reasonable protection of authorized companies from unwarranted competition by unauthorized companies.

(d) The following kinds of insurance shall not be eligible for surplus lines insurance:

(1) Primary personal automobile liability;

(2) Surety; and

(3) Workers' compensation, except as provided in subsection (a).

**HISTORY:** Acts 1969, ch. 270, § 5; T.C.A., § 56-3805; Acts 2001, ch. 220, §§ 2, 3; 2011, ch. 446, § 1.

