

## 2016 Kansas Statutes

**40-4505. Same; records to be maintained by reinsurance broker; rights of insurer to access, copy and audit records.** (a) For at least 10 years after expiration of each contract of reinsurance transacted by the reinsurance broker, the reinsurance broker shall keep a complete record for each transaction showing:

- (1) The type of contract, limits, underwriting restrictions, classes or risks and territory;
  - (2) period of coverage, including effective and expiration dates, cancellation provisions and notice required of cancellation;
  - (3) reporting and settlement requirements of balances;
  - (4) rate used to compute the reinsurance premium;
  - (5) names and addresses of assuming reinsurers;
  - (6) rates of all reinsurance commissions, including the commissions on any retrocessions handled by the reinsurance broker;
  - (7) related correspondence and memoranda;
  - (8) proof of placement;
  - (9) details regarding retrocessions handled by the reinsurance broker including the identity of retrocessionaires and percentages of each contract assumed or ceded;
  - (10) financial records, including but not limited to, premium and loss accounts; and
  - (11) when the reinsurance broker procures a reinsurance contract on behalf of a licensed ceding insurer:
    - (A) Directly from any assuming reinsurer, written evidence that the assuming reinsurer has agreed to assume the risk; or
    - (B) if placed through a representative of the assuming reinsurer, other than an employee, written evidence that such reinsurer has delegated binding authority to the representative.
- (b) The insurer shall have access and the right to copy and audit all accounts and records maintained by the reinsurance broker related to its business in a form usable by the insurer.

**History:** L. 1992, ch. 15, § 5; Dec. 31.