

**LICENSING AND RENEWAL
PROCEDURES
FOR RESIDENT AND
NONRESIDENT SURPLUS LINES
BROKERS**

July 2008

Licensing and Renewal Procedures for Resident and Nonresident Surplus Lines Brokers

Requirements pertaining to all applicants –

Individual applicants must be at least 18 years of age.

The initial licensing process requires a \$50 nonrefundable application-processing fee. Checks should be made payable to the Treasurer of Virginia, SCC/BOI. Personal checks are not accepted.

The renewal process requires a \$50 nonrefundable application processing fee. Checks should be made payable to the Treasurer of Virginia, SCC/BOI. Personal checks are not accepted. No matter when the license was issued, it must be renewed prior to June 30.

The initial licensing process requires any resident or nonresident applicant who has been convicted of (or pled guilty or nolo contendere to) a violation of law, other than a minor traffic offense, to provide:

- a) a written statement explaining the circumstances of each incident;
- b) a certified copy of the charging document;
- c) a certified copy of the official document, which demonstrates the resolution of the charges or any final judgment;
- d) if applicable, a letter from the federal or state probation and parole office outlining your performance or satisfactory completion of your probationary period;
- e) if applicable, a letter from your current or prospective employer if engaged in the business of insurance;
- f) your employment history since your conviction and a copy of any civil rights restoration; and
- g) if a nonresident agent, a copy of the 1033 waiver from your home state.

Subsequent to the issuance of the license, an agent must report to the Bureau of Insurance within 30 calendar days the facts and circumstances regarding a conviction of or pleading guilty or nolo contendere to any felony offense.

An agent is required by law to report to the Bureau of Insurance within 30 calendar days the final disposition, to include a copy of the order, consent to order, and/or other relevant legal documents, of any administrative action taken against him in another jurisdiction or by another governmental agency.

Requirements pertaining to Resident Applicants Only –

The initial licensing process requires the individual or business entity to be a licensed Property and Casualty agent or agency in the state of Virginia. The Property and Casualty license must be maintained in order to hold a Surplus Lines broker license.

The initial licensing process requires individual Virginia residents to provide a Criminal History Record Report. The report must be obtained from the Virginia State Police at 804-674-2000 or you may download the form (SP-167) from its website at www.vsp.state.va.us. If you fail to provide a current, no more than 90 days old, criminal history record report, the Bureau will refuse to issue a license to you. A Surplus Lines broker is not required to provide a criminal history record report to renew his or her license. However, if you fail to renew the license, a criminal history record report is required.

Individual

The following forms must be completed if the licensee is an individual:

- PIN 3001, [APPLICATION FOR INDIVIDUAL INSURANCE LICENSE](#) must be completed in its entirety.
- SLB-2 , BOND FOR SURPLUS LINES INSURANCE BROKER -
The initial licensing process requires a new bond. The prior bond is not acceptable even if it shows a term of "continuous." A surety company licensed in Virginia must write the bond. The individual requesting the initial issuance of the license may complete the bond form. By completing the "Applicant's Certification and Attestation", you are certifying that you have acquired a new Surety bond in the amount of twenty-five thousand dollars (\$25,000). A new bond is not required for renewal, the Bureau will accept a continuation rider or attestation indicating the bond is still in force. The continuation confirmation must come from the bond company and include information substantiating the time frame in which the bond has been extended.

Business Entity

The following forms must be completed if the licensee is a partnership, corporation, or Limited Liability Company:

- PIN4052, [APPLICATION FOR BUSINESS ENTITY INSURANCE LICENSE](#) must be completed in its entirety. The application must be signed by an officer of the corporation or Limited Liability Company. If the applicant is a partnership, a partner must sign the form.

- **SLB-2, BOND FOR SURPLUS LINES INSURANCE BROKER -**
The initial licensing process requires a new bond. The prior bond is not acceptable even if it shows a term of "continuous." A surety company licensed in Virginia must write the bond. A partner in a partnership or an officer of a corporation or Limited Liability Company may complete the bond form requesting the initial issuance or the renewal of the license. By completing the "Applicant's Certification and Attestation", you are certifying that the partnership, corporation, or limited liability company has acquired a new Surety bond in the amount of twenty-five thousand dollars (\$25,000). A new bond is not required for renewal, the Bureau will accept a continuation rider or attestation indicating the bond is still in force. The continuation confirmation must come from the bond company and include information substantiating the time frame in which the bond has been extended.
- A business entity is not required to first obtain a certificate of authority, including a certificate of registration, certificate of organization, certificate of limited partnership, or charter, from the Commission prior to being eligible to obtain a license as an insurance agent, consultant, surplus lines broker, or viatical settlement broker. However, the business entity must still obtain the necessary certificate of authority. A failure to obtain that certificate of authority may result in the Bureau of Insurance terminating the producer license.

Requirements pertaining to Non-Resident Applicants Only –

Individual

The following form must be submitted if the licensee is an individual:

- PIN 3001, [APPLICATION FOR INDIVIDUAL INSURANCE LICENSE](#) must be completed in its entirety.
- The applicant must hold specific license authority to act as a Surplus Lines Broker (or equivalent title) in the home state. A Surplus Lines Broker license will not be issued to individuals who do not hold this authority in their home state. If your home state does not report Surplus Lines authority to the NAIC's Producer Data Base (PDB), attach a current, no more than 90 days old, certification from the insurance department in the state in which you reside.

Business Entity

The following form must be submitted if the licensee is a partnership, corporation, or Limited Liability Company:

- PIN4052, [APPLICATION FOR BUSINESS ENTITY INSURANCE LICENSE](#) must be completed in its entirety. The application must be signed by an officer of the corporation or Limited Liability Company. If the applicant is a partnership, a partner must sign the form. The authorized individuals who are listed must be licensed as a Property and Casualty agent in the state of Virginia.
- The agency must hold specific license authority to act as a Surplus Lines Broker (or equivalent title) in the home state. The Bureau will verify the applicant's license status on the NAIC's Producer Data Base.
- If your home state does not report Surplus Lines authority to the NAIC's Producer Data Base (PDB), attach a current, no more than 90 days old, certification from the insurance department in the state in which the agency is incorporated/domiciled or where the principal office is located.
- A business entity is not required to first obtain a certificate of authority, including a certificate of registration, certificate of organization, certificate of limited partnership, or charter, from the Commission prior to being eligible to obtain a license as an insurance agent, consultant, surplus lines broker, or viatical settlement broker. However, the business entity must still obtain the necessary certificate of authority. A failure to obtain that certificate of authority may result in the Bureau of Insurance terminating the producer license.

The above information is not intended to be all-inclusive. If you have any questions or problems not addressed here, please contact the Bureau at bureauofinsurance@scc.virginia.gov.

The Mailing address is as follows:

**Bureau of Insurance
Agents Licensing Section
P.O. Box 1157
Richmond, VA 23218**

The Overnight address is:

**Bureau of Insurance
Agents Licensing Section
1300 E. Main Street
Richmond, VA 23219**