

# COMMONWEALTH OF VIRGINIA

ALFRED W. GROSS  
COMMISSIONER OF INSURANCE



P.O. BOX 1157  
RICHMOND, VIRGINIA 23218  
TELEPHONE: (804) 371-9741  
TDD/VOICE: (804) 371-9206  
<http://www.state.va.us/scc>

## STATE CORPORATION COMMISSION BUREAU OF INSURANCE

April 2, 2007

To: Licensed Surplus Lines Brokers

Re: Important Notice Regarding Licensing Requirement and Renewal  
of Surplus Lines Broker's License

**This is to clarify any uncertainty regarding authorized individuals of Surplus Lines Broker (SLB) agencies to hold an individual SLB license. Virginia insurance statutes do not require authorized individuals of SLB agencies to hold an individual SLB license. Nevertheless, the authorized individual must hold the requisite Property and Casualty license.**

Enclosed is your renewal application. The application and renewal fee **must** be received by this office prior to June 1, 2007; if not, the license will terminate on June 30, 2007. This packet consists of the Form SLB-1. The renewal fee is \$50. Personal checks are **not** accepted. Any omission on the form will cause a delay in the renewal of your license. All licensees are required to pay the Bureau of Insurance Maintenance Assessment even if they transacted no business in the Commonwealth. The minimum assessment is \$300. Additionally, your license will **not** be renewed unless all of your 2006 taxes and assessment fees have been paid. **Please carefully read the instructions that apply to your situation.**

### **Individual**

- SLB-1, APPLICATION FOR SURPLUS LINES BROKER LICENSE, INDIVIDUAL must be completed in its entirety. Complete **only** the top portion of the SLB-1. **Do not** complete the "agency" portion.
- **VIRGINIA RESIDENTS** are no longer required to provide a new bond for renewal of their Surplus Lines Broker license. However, a continuation rider indicating that the bond is in force **must** be attached to the renewal application. **The continuation rider must come from the bond company and be valid for the period of 7/1/07 – 7/1/08.** A new bond is required if there is a change in the bond company or to the existing bond. A surety company licensed in Virginia must write the bond. The individual requesting the renewal of the license may complete the bond form. By completing the "Applicant's Certification and Attestation," you are certifying that you have acquired a Surety bond in the amount of \$25,000. A copy of the Bond for Surplus Lines Insurance Broker (SLB-2) may be downloaded from the Bureau's website at:  
<http://www.scc.virginia.gov/division/boi/webpages/boiformsapplications.htm>.

- **NONRESIDENTS must** hold specific license authority to act as a Surplus Lines Broker (or equivalent title) in their 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.
- A criminal history report **is not** required to renew the license. If you have been convicted of a criminal offense after your original license was issued, you must submit a current (no more than 90 days old) criminal history record report to "renew" the license. Virginia residents may obtain a criminal history record report by contacting the Virginia State Police. In addition, you must submit a written statement explaining the circumstances of each incident, a certified copy of the charging document and of the official document that demonstrates the resolution of the charges or any final judgment, and if applicable, a letter from the federal or state probation and parole office outlining your performance or satisfactory completion of probation. Nonresident agents are not required to submit a criminal history record report; however, they must submit all other documents listed above.
- Pursuant to Virginia Code § 38.2-1857.5, an agent (resident or nonresident) is required to 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.

### **Business Entity**

- SLB-1 APPLICATION FOR SURPLUS LINES BROKER LICENSE, AGENCY must be completed in its entirety. The "Applicant's Certification and Attestation" should be signed by the officer of the corporation or limited liability company. If the applicant is a partnership, a partner should sign the form. Complete **only** the bottom portion of the SLB-1. **Do not** complete the "individual" portion.
- **VIRGINIA AGENCIES** are no longer required to provide a new bond for renewal of its Surplus Lines Broker license. However, a continuation rider indicating that the bond is in force **must** be attached to the renewal application. **The continuation rider must come from the bond company and be valid for the period of 7/1/07 – 7/1/08.** A new bond is required if there is a change in the bond company or to the existing bond. A surety company licensed in Virginia must write the bond. The individual requesting the renewal of the license may complete the bond form. By completing the "Applicant's Certification and Attestation", you are certifying that you have acquired a Surety bond in the amount of twenty-five thousand dollars (\$25,000). A copy of the Bond for Surplus Lines Insurance Broker (SLB-2) may be downloaded from the Bureau's website at:  
<http://www.scc.virginia.gov/division/boi/webpages/boiformsapplications.htm>.
- **NONRESIDENT AGENCIES must** hold **specific license authority** to act as a Surplus Lines Broker (or equivalent title) in its state of domicile or principal place of business. A Surplus Lines Broker license will not be renewed for agencies that do not hold this authority in its state of domicile or principal place of business. If the state of domicile does not report Surplus Lines authority to the NAIC's Producer Data Base (PDB), attach a current (no more than 90 days old) certification letter from the insurance department in the state in which it is domiciled.

April 2, 2007

- **NONRESIDENT AGENCIES must** be registered with the Clerk of the Commission in order to obtain a new license or renew an existing license. (Note: This is the equivalent of obtaining a certificate of authority from the Secretary of State in most other states.)

Submit your application package using the appropriate address.

**Mailing Address**

Bureau of Insurance  
Agent Licensing Section  
P O Box 1157  
Richmond, VA 23218

**Overnight Address**

Bureau of Insurance  
Agent Licensing Section  
1300 East Main Street  
Richmond, VA 23219

Please direct any questions to the appropriate number listed below.

|                          |              |
|--------------------------|--------------|
| Licensing/Renewal        | 804-786-9525 |
| Taxes/Assessment         | 804-371-9333 |
| Certificate of Authority | 804-371-9733 |

Sincerely,



Richard J. Tozer  
Principal Office Technician  
Agent Licensing Section

Attachment: Form SLB-1