

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

**Nov 2014**

# LICENSING AND RENEWAL PROCEDURES FOR RESIDENT AND NONRESIDENT SURPLUS LINES BROKERS (“SLB”)

## **Requirements pertaining to All Individual and Business Entity Applicants**

**Individual** applicants must be at least 18 years of age.

Visit [www.scc.virginia.gov/boi/online.aspx](http://www.scc.virginia.gov/boi/online.aspx) to apply online. License applications are processed in date received order. Please allow a minimum of 15 business days for processing before contacting the Bureau of Insurance (“Bureau”) concerning the status of an application. Visit [www.scc.virginia.gov/boi/ConsumerInquiry](http://www.scc.virginia.gov/boi/ConsumerInquiry) to track a pending application or to view the license status.

The initial/renewal licensing process requires a \$50 nonrefundable application-processing fee.

For applications submitted through Sircon's Compliance Express, the license printing service is free for up to 30 days after the application has been approved. For applications submitted through NIPR, a Sircon service fee will be applied to print the license. The Bureau does not print or mail licenses.

## **Renewals**

The license will be in effect for up to one year depending upon when it is issued and must be renewed prior to June 30 of each calendar year. Regardless of when the license was issued in the calendar year it must be renewed prior to June 30 of that calendar year or the license will be administratively terminated for failure to renew. Renewal notification will be mailed to the Surplus Lines Broker in April. Renewals must be submitted to the Bureau on or before **June 1** and can be submitted online at [www.scc.virginia.gov/boi/online.aspx](http://www.scc.virginia.gov/boi/online.aspx). A criminal history record report is not required for renewals. **Residents Only:** As a condition of renewal, the electronic application includes an “attestation” wherein the applicant must certify that they have, and will keep in force for as long as the license remains in effect, a \$25,000 bond in favor of the Commonwealth with corporate sureties licensed by the Commission. The surety bond number, effective date and the name of the insurer must be included on the application for renewal. The Bureau will not require receipt of the actual bond as a condition of renewal. Visit [www.scc.virginia.gov/boi/pro/adj.aspx](http://www.scc.virginia.gov/boi/pro/adj.aspx) to download the SLB-2 Bond Form.

## **Requirements pertaining to RESIDENT Individual and Business Entity Applicants**

A Property and Casualty license is required to obtain a Surplus Lines Broker license.

A current Criminal History Record Report from the Virginia State Police (“VSP”) is required. Visit [www.vsp.state.va.us/](http://www.vsp.state.va.us/) to download Form SP-167 or contact the Virginia State Police at (804) 674-2000. When completing the form, have the report mailed back to you; not to the Bureau. When you receive the completed report, either attach it as a PDF and email it to [bureauofinsurance@scc.virginia.gov](mailto:bureauofinsurance@scc.virginia.gov) or fax it to (804)-371-9290. If you fail to provide a current, no more than 90 days old, criminal history record report, the Bureau will refuse

licensure. A Surplus Lines Broker is not required to provide a criminal history record report to renew the license.

Applicants using Sircon's Compliance Express should upload all attachments and submit them with the electronic application. The Virginia criminal history record report ("CHRR") with all related documents should be attached to the electronic application when submitted. This is the most efficient and secure way for the Bureau to receive and process license applications and eliminates the need to fax/email documents. The Bureau encourages applicants to first obtain their CHRR and related documents before submitting the electronic application and attach the documents to the electronic license application.

As a condition of licensure, the electronic application includes an "attestation" wherein the applicant must certify that they have, and will keep in force for as long as the license remains in effect, a \$25,000 bond in favor of the Commonwealth with corporate sureties licensed by the Commission. The surety bond number, effective date and the name of the insurer must be included on the application for licensure. The Bureau will not require receipt of the actual bond as a condition of licensure. Visit [www.scc.virginia.gov/boi/pro/adj.aspx](http://www.scc.virginia.gov/boi/pro/adj.aspx) to download the SLB-2 Bond Form.

The **business entity** must name a Designated Responsible Licensed Producer ("DRLP") with an active Virginia Property & Casualty license. The DRLP also is responsible for the business entity's compliance with the insurance laws, rules and regulations of Virginia. The **business entity** must also provide at least one Authorized Individual ("AI") with an active Virginia Property & Casualty license. The DRLP and Authorized Individual can be the same and their license status must be reported to the NAIC's Producer Data Base ("PDB") prior to applying for a business entity license. Firm associations can be maintained online at [www.scc.virginia.gov/boi/online.aspx](http://www.scc.virginia.gov/boi/online.aspx).

A certificate of authority is not required to obtain an agency SLB license; **however, the business entity MUST obtain the required certificate of authority within 90 days of licensure or the license will be administratively terminated.** Contact the Clerk's Office at 804-371-9733 for details or visit [www.scc.virginia.gov/clk](http://www.scc.virginia.gov/clk).

### **Requirements pertaining to NONRESIDENT Individual and Business Entity Applicants**

**Individual and business entity** applicants 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 PDB, fax to 804-371-9290 a current, no more than 90 days old, certification from the insurance department in the state in which you reside. Note: Non-residents are not required to hold a Property & Casualty license in Virginia in order to obtain a Surplus Lines Broker license.

The **business entity** must name a Designated Responsible Licensed Producer ("DRLP") who is responsible for the business entity's compliance with the insurance laws, rules and regulations of Virginia. The **business entity** must also provide at least one Authorized Individual ("AI") who is either a **nonresident individual** licensed for **ANY** line of authority in the business entity's Home State; **OR** a Virginia **resident** individual licensed for **ANY** Virginia line of authority. The DRLP and AI can be the same and their license status must be reported

to the PDB prior to applying for a business entity license. Visit [www.scc.virginia.gov/boi/online.aspx](http://www.scc.virginia.gov/boi/online.aspx) to maintain firm associations.

A certificate of authority is not required to obtain an agency SLB license; **however, the business entity MUST obtain the required certificate of authority within 90 days of licensure or the license will be administratively terminated.** Contact the Clerk's Office at 804-371-9733 for details or visit [www.scc.virginia.gov/clk](http://www.scc.virginia.gov/clk).

## **MISCELLANEOUS**

### **I. Address Changes**

Every licensed surplus lines broker is required by law to notify the Bureau within 30 calendar days of any change of residence. Visit [www.scc.virginia.gov/boi/online.aspx](http://www.scc.virginia.gov/boi/online.aspx) to change your address online. DO NOT USE A COMPANY OR ANY BUSINESS ADDRESS (INCLUDING PO BOX) AS THE INDIVIDUAL PRODUCER'S RESIDENCE OR MAILING ADDRESS.

Any licensed surplus lines broker who has moved his/her residence from this Commonwealth shall have all licenses terminated by the Commission.

### **II. Name Changes**

Every licensed surplus lines broker is required by law to notify the Bureau in writing within 30 calendar days of any change of name. These changes can be made by downloading and properly completing the Bureau's Service Request Form at [www.scc.virginia.gov/boi/pro/formapp.aspx](http://www.scc.virginia.gov/boi/pro/formapp.aspx).

A copy of the marriage certificate, divorce decree (if the decree states the change from married name to maiden name), or court order is required. Please include your Virginia License Number or National Producer Number ("NPN") with your request. You must sign the request.

### **III. Certifications**

Based upon the national initiative for uniformity of state insurance regulation, most states do not require certification letters as a surplus lines broker's license status may be verified on the PDB, or on the Bureau's website at [www.scc.virginia.gov/boi/ConsumerInquiry](http://www.scc.virginia.gov/boi/ConsumerInquiry). Nevertheless, a certification letter may be obtained online at [www.sircon.com/virginia](http://www.sircon.com/virginia) and printed from this site.

### **IV. Clearance Letters**

Clearance letters must be requested by the Surplus Lines Broker ("SLB"), and submitted to the Bureau on the Service Request Form. The request must include their Virginia License Number ("VLN") or National Producer Number ("NPN"), their new residence address, and the state the SLB is moving to. The SLB must sign the request. All licenses and appointments will be terminated when the clearance is processed. Visit [www.scc.virginia.gov/boi/pro/formapp.aspx](http://www.scc.virginia.gov/boi/pro/formapp.aspx) to download the form.

## **V. Felony Conviction**

A surplus lines broker (resident or nonresident) is required by law to report to the Bureau within 30 calendar days the facts and circumstances regarding a conviction of or pleading guilty or nolo contendere to any felony offense. This report shall include a copy of the order and other relevant legal documents.

## **VI. Administrative Actions**

A surplus lines broker (resident or nonresident) is required by law to report to the Bureau 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. Report administrative actions to the Bureau electronically via NIPR's Attachment Warehouse – Reporting of Actions at <https://pdb.nipr.com/docMgmt/main.html>.

## **VII. Withdrawal of License**

Submit a written request to the Bureau of Insurance either by email, [bureauofinsurance@scc.virginia.gov](mailto:bureauofinsurance@scc.virginia.gov) or by fax, 804-371-9290. Include your name and Virginia license number (“VLN”) or National Producer Number (“NPN”) or Tax ID number (for an agency) with your request. The surplus lines broker must sign the request. An officer from the agency must sign the request for agency terminations.

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](mailto:bureauofinsurance@scc.virginia.gov) or visit our website shown below.

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P. O. Box 1157  
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[www.scc.virginia.gov/boi/](http://www.scc.virginia.gov/boi/)**