

INSTRUCTIONS

FORM SL-1905 – SL NOTICE OF INSURANCE TRANSACTION

General Overview of Using the MS Excel® Form SL-1905:

ALWAYS ENABLE MACROS – When you click on the link to open the Form, the program will warn you about macros and ask if you want to allow macros. **Always click “Yes”**. If macros are not enabled, the form will not function properly.

You’ll notice from the tabs at the bottom of the screen that the SL-1905 actually contains these 3 worksheets:

SL Transaction Notice

- Designed as a FORM for SL Broker use, this sheet can be printed to save in your files and/or give to the insured. This Form replaces the Broker Affidavit (old Form SLB-A1), the Broker Certificate (old Form SLB-C1), and the Broker of Record (Form SLB-R1).

Data Sheet

- Each SL Transaction Notice “form” becomes a new row – a new record – in this “Data Sheet” worksheet when you click the Update button.
- This sheet contains the links and programming that allows the form to function properly. You may view the data in this spreadsheet but should never delete records from it.

Eligible Companies

- This spreadsheet contains the list of unauthorized insurers considered by the Department to be eligible to transact surplus lines insurance in the state of Delaware. This sheet is “View Only” for your information.

Tip: When you click the link and open the Form for the first time, enter the Agency Information ONLY and save the otherwise empty form to your local drive under another name (for example: “DE SL-1905 Blank.xls”). This now becomes your “template” form. Each time you are ready to make a submission, open this template file.

Whenever you open the template file, IMMEDIATELY click “File” on the toolbar, select “Save As” and save the template as another name (for example: “SL-1905-12-15-06.xls” – using the form name and the date.) This will prevent overwriting the template. When you close the file at the end of each session, if the program asks, click “Yes” to save changes.

You may use “Tab” to move from one field to another, but the buttons, check boxes, and drop-downs must be clicked with the mouse to select them. *It is probably best to use the mouse to click on each field.*

The Surplus Lines Notice of Insurance Transaction must be submitted for **each** transaction, including premium-bearing endorsements, within 30 days after the effective date of the transaction. This Excel® Form may be emailed at any time and can be used to submit single or multiple transactions by following these steps. If you are submitting several Notices at the same time, enter the information for each transaction as instructed until finished then email the entire workbook. Be sure to print each form for your records before clicking the Reset button.

Tip: Always click the buttons in the order they appear on the form: **Update – Print – Reset.**

GENERAL INSTRUCTIONS FOR COMPLETING FORM SL-1905

1. Enter information in all applicable fields on the Form. You may make changes at any time until you click "UPDATE".
2. After checking for accuracy, click "UPDATE". This automatically updates the record in the data sheet. **IMPORTANT:** Only click the UPDATE button one time for each transaction. Clicking more than once will result in duplicate records.
3. Click "PRINT" to print a completed copy of the Form for your records and/or to deliver to the policyholder.
4. Click "RESET" to empty the contents of all fields except the reporting Agency information. You will be returned to the "Reporting SL Broker ID" field so you can begin entering information for another transaction.
5. Repeat Steps 1 through 4 for each transaction.
6. When you finish entering all transactions in the current submission, click "File" in the toolbar and select "Save" (since you already named the file at the beginning of the session, you do not need to "Save as".) or if you click the X to close the file, choose "Yes" when Excel® asks if you want to save.
7. Using your email program, attach the file to an email addressed to: SLEexam@state.de.us. The Excel® workbook will be emailed to the Department.

IMPORTANT: You may get a warning about attachments; click "Yes" to send anyway.

NOTE: The first line of all drop-down boxes is blank and manual entry is possible by clicking on the field itself (not the arrow) and typing the entry.

**FOLLOW THESE INSTRUCTIONS FOR EACH FIELD AS INDICATED.
REFERENCE NUMBERS CORRESPOND TO NUMBERS ON THE SAMPLE FORM SL-1905.**

Reference Number	Description	Instructions
1	Version of Form	Each Form is identified in the upper right hand corner and numbered according to the section of Title 18 to which it applies. Always be sure you are using the most current version of a Form.
2	SL Broker Identifier	Enter the Delaware Surplus Lines license number of the individual SL broker procuring coverage. IMPORTANT: All surplus lines licensees – individual brokers and business entities – must use their 7-digit Delaware surplus lines license number as their Broker ID or Agency ID on all Department forms. Although the Department retains SSN and FEIN in the tax data records, those numbers are no longer used as general identification numbers.
3	Name of SL Broker	Enter the full name of the individual SL broker procuring coverage as it appears on their DE license.

4	Agency Name and Mailing Address	Enter the business name and address for the individual SL Broker. All individual SL brokers that are affiliated in any way (such as use of Agency name, letterhead, address, etc.) with an insurance business entity should use the business entity Name and Address on all reports.
5	Contact Name, Email & Phone #	Enter the information for the person responsible for making filings to the Department. NOTE: This person does not have to be the SL Broker.
6	Agency Identifier and EIN	Delaware law requires both individuals and business entities be licensed for Surplus Lines. Enter the Delaware Surplus Lines license number <u>and</u> federal EIN of the Business Entity. (See SL Broker Identifier)
7	Producing Agent Information	Enter the Name, Address and Phone # of the insurance producer who has initial direct contact with the insured. If the SL Broker is also the producing agent, these fields DO NOT need to be completed. For reporting purposes, the Department defines "Producer" or "Agent" as any DE insurance licensee and "SL Broker" as a Producer or Agent who is also licensed for surplus lines.
8	Producing Agent DE* license number	Enter the Delaware license number of the producing agent. Delaware Law requires that <u>all</u> entities involved in procuring insurance for risks located in DE be licensed. * If making a "courtesy filing" as described in this manual, enter the <i>home state</i> SL license number of the out-of-state SLB who procured coverage for the multi-state risk with DE exposure.
9	Compliance checkmark #1	Click this checkbox to indicate that a Form SL-1904 has EITHER been received from the producing agent OR been completed by the SL Broker if the SL Broker is also acting as the producing agent. Form SL-1904 must be attached to other document records pertaining to the policy and must be retained in the SL Broker's file and available for inspection for 5 years. Remember: Checkboxes must be clicked to enter the check.
10	Type of Transaction	Click to indicate the type of transaction being reported. Select only one. Form SL-1905 is required for all premium-bearing endorsements. An endorsement must be sequentially numbered in the "Policy Number" field.
11	Changes	Briefly describe any changes are being made to the original policy or describe the type of transaction if "Other" is selected.
12	Name of Insured	Enter the name of the policyholder.
13	Address of Risk	Enter the complete physical address of the location of the risk (not necessarily the insured's address.) If there is more than one DE location, enter the address of the risk with the highest exposure, if possible. NOTE: A Post Office Box <i>only</i> is not acceptable.

14	Effective Date and Expiration Date	Enter the date coverage begins and ends. For endorsements, enter the dates any change to the policy begins and ends. For a cancellation with return premium, enter the original effective date of the policy and use the effective date of the cancellation as the Expiration date.
15	Policy Term	Enter the length of coverage in number of months. For endorsements, enter the number of months remaining. For cancellation, enter the number of months the coverage was in effect before cancellation. DO NOT use terms such as "continuous" or "until canceled".
16	Description of Risk	Briefly describe the type of risk being covered. If there is more than one risk location in DE and the address of the risk differs from the geographic location of the risk with the highest exposure, choose "Multiple Locations."
17	Geographic Location of Risk	Click to indicate where in the state the risk is located. If there is more than one location in DE, choose the location for the risk with the highest exposure. The Department uses this information as part of the calculation for the amount of state funding volunteer fire companies in each county and the city of Wilmington will receive each year. (18 <u>Del. C.</u> , § 705.)
18	Compliance checkbox #2	Click this checkbox to indicate that the surplus lines coverage has been procured in compliance with Delaware law and Insurance Department requirements.
19	SL Broker signature	When filing electronically, a live signature is not required. The SLB must sign the printed form retained in the office record and/or given to the insured as evidence of coverage.
20	Insurer Name	Select one from the drop down as indicated. If more than one insurance company is providing coverage for the same policyholder, Form SL-1905 must be submitted for each company involved in the transaction. This field is linked to the listing of Eligible Surplus Lines companies, but may be overwritten if necessary. Remember: Delaware law requires that surplus lines insurance be procured only from companies considered by the Department to be eligible insurers.

Reference Number	Description	Instructions
21	NAIC number	When the Insurer name is selected from the drop down, the NAIC number is automatically entered in this field. This helps the Department identify the company. All insurance companies, including alien (offshore) insurers, are assigned a company code number by the NAIC.
22	Policy Number	Enter the Policy Number or Binder Number. If filing an endorsement, enter the original policy number with the sequential endorsement number added. <i>For example, if the policy number is CGL-123456, and you are filing a second endorsement change, enter CGL-123456-2.</i> NOTE: If you submit the filing using a Binder number, you must provide the Department with the Policy number as soon as it becomes available to replace the Binder number. Use the Binder/Policy Number Replacement Form SL-1908 to notify the Department of the change.
23	Percent of Coverage	If more than one insurance company is providing coverage for the same policyholder, Form SL-1905 must be submitted for each company involved in the transaction. Enter the percent of the coverage that is being provided by each insurance company.
24	NAIC Coverage Type Code	Select from the drop down as indicated. This field is linked to a listing of business lines as defined by the NAIC, but may be overwritten if necessary. The Department uses this information to verify the amount of premium being written for each line of business used in the calculation of the fire company distribution in accordance with 18 <u>Del. C.</u> , § 705. List each coverage type included in the policy. For example “08 Fire – CML property” would be listed on one line and “5.2 Commercial Multiple Peril – liability” would be listed on the next line even though it is the same policy, issued by the same company.
25	Description of coverage type	When the NAIC coverage type code is selected from the drop down, the description is automatically entered in this field. If Other is selected or if no coverage code is applicable, enter a brief description of the type of coverage. For example: Using the example above, the first coverage type “08” will show “Fire” in the description field automatically, but “CML property” would be manually added into the description field.
26	Insurance amount	Enter the coverage limits in dollar amounts for each type of coverage contained in the policy.
27	Premium charged	Enter the amount of premium being charged for each type of coverage contained in the policy. For endorsements, enter additional premium amount. For cancellation, enter return premium amount.

Reference Number	Description	Instructions
28	Total Policy Premium and other calculated fields	The fields that are “grayed out” on the form are calculated fields and may not be overwritten. It is not necessary to enter an amount on all lines for the form to make the calculation.
29	Fees	Describe any fees associated with the policy that are charged to the insured. List the type and amount of the fee(s). Remember: Taxable premium includes all policy fees. The total amount of fees will automatically be entered in the field labeled “Additional Fees”
30	Action Buttons	<ul style="list-style-type: none"> • Use the “Update” button to complete entering the data from the form into the datasheet. • Use the “Print” button to print the form. ➔ ALWAYS PRINT A COPY OF THE COMPLETED FORM FOR YOUR RECORDS. • Use the “Reset” button to remove data from all fields except the Reporting Broker Information. This button was added to enable more than one policy to be reported at one time.
31	Department Contact	Please do not hesitate to email questions to the Department. Any questions regarding SL filings should be directed to Ann Fletcher, Tax Coordinator, at Ann.Fletcher@state.de.us , or you may call 302-674-7300 and ask for the Surplus Lines section.



DELAWARE INSURANCE DEPARTMENT SURPLUS LINES NOTICE OF INSURANCE TRANSACTION

To be submitted by the
**SURPLUS LINES
BROKER**

Form SL1905

v. 01.01.2006

1

REPORTING SL BROKER INFORMATION

Agency Name:

Address:

Contact Name:

Contact E-mail:

Contact Phone #:

Reporting SL Broker ID #:

Name of licensed SL Broker procuring coverage:

Agency ID #:

Agency EIN:

PRODUCING AGENT INFORMATION

Name:

Address:

Phone: DE Lic. #:

If the insured in this transaction was represented by another producing agent, then form SL1904 must be completed and received by the SL Broker. It must be retained by the SL Broker with this Notice and all other materials related to this policy. DO NOT submit form 1904 to the Department.

Check Here to indicate that a duly signed and completed Form SL1904 has been retained in the SL Broker file as directed.

TYPE OF TRANSACTION (select one)

New Policy Renewal of Policy #:

(If Endorsement or Other explain briefly below)
 Endorsement Other

CHANGES (Explain changes to policy here)

INSURED'S NAME AND ADDRESS OF RISK:

Name:

Address:

POLICY TERM INFORMATION

Effective Date: Expiration Date:

MM/DD/YYYY Format MM/DD/YYYY Format

Policy Term (in months):

Note: List Street Address -- PO Box only is not acceptable

DESCRIPTION OF TYPE OF RISK

GEOGRAPHIC LOCATION OF RISK (select one)

IMPORTANT

After conduct of a diligent search, the insurance coverage for the amount and kind requested by the insured cannot be obtained from an insurer admitted in Delaware, therefore the insurance contract for this insurance coverage is issued pursuant to Delaware Insurance Laws with the following insurer neither licensed by nor under the jurisdiction of the Delaware Insurance Department.
I declare under the penalties provided by law that I have procured the insurance coverage here described pursuant to Chapter 19 of Title 18, the Delaware Insurance Code, and that the information contained in this submission is true.

Check Here to indicate full compliance with 18 Del. C., Ch. 19 and Delaware Insurance Department Surplus Lines Bulletin Number 7.

Surplus Lines Broker Signature (18 Del. C., §1905)

INSURER NAME (select from eligible companies list)

NAIC #

POLICY NUMBER

% of Coverage

NAIC Code	Description of Coverage (List Individually)	Insurance Amount	Premium Charged
<input type="text" value="24"/>	<input type="text" value="25"/>	<input type="text" value="26"/>	<input type="text" value="27"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Describe Fees:

\$

\$

\$

Total Policy Premium	\$	<input type="text" value="28"/>
Additional Fees	\$	<input type="text"/>
Total Taxable Premium	\$	<input type="text"/>
DE Surplus Lines Tax Rate	X	0.02
Premium Tax	\$	<input type="text"/>

31

Direct questions to: Ann.Fletcher@state.de.us