

DATE: September 29, 2004

TO: All Surplus Lines Licensees

FROM: Kenneth A. Rudert – Executive Director *KAR/cmu*

SUBJECT: **Procedure for Submitting Endorsements to PSLA (How to Avoid Endorsement Returns)**

Given the increase in Filing and Endorsement activity brought on by the advent of Surplus Lines licensure reciprocity, and the variety of Endorsement paperwork formats received by PSLA, we have identified the need to formalize our Endorsement Submission procedure. This recommended procedure will help our staff review and enter your Endorsement information and minimize the number of Endorsements returned to you for missing or confusing information.

Please review and follow these guidelines when submitting Endorsements to PSLA:

- 1) A filing copy of an Endorsement should be sent to PSLA when any one of the following changes to a policy (the original placement) have occurred:
 - 1) A change in Policy Premium (additional or returned)
 - 2) A change in Named Insured
 - 3) A change to the Location of Risk
 - 4) A change in Limits
 - 5) A change or revision to the Policy Number (other than a policy rewrite)
 - 6) A change to the Policy Period
- 2) The following five items **must** be clearly indicated on each endorsement:
 - 1) Transaction Number (T#)
 - a) For policies **effective 1/1/2002 and after** this consists of: your PA Surplus Lines customer identification number, the policy number (or binder number if the policy number is not yet available and subsequently replaced by the policy number when available) and the inception year of the placement.
 - b) For policies **effective 12/31/2001 and prior** this consists of: the effective year of the policy, your PA Surplus Lines customer identification number, the Key number of the Carrier, and a five-digit sequential number (assigned by you).
 - 2) Named Insured
 - 3) Effective Date of Change (stated separately from any date of endorsement preparation)
 - 4) Specify Additional or Returned Premium (in the case of there being no premium involved, clearly indicate what change is being put into effect, and specify that there is no change to the Policy's Premium)
 - 5) Sequential Endorsement Number (please make sure your endorsements to each policy are numbered sequentially)
- 3) Endorsements to existing filings **do not** require accompanying affidavits; simply send the filing copy of the endorsement.

- 4) Please be sure the policy for which you are issuing the endorsement has already been filed with PSLA (i.e. do not send the endorsement before the original filing). (See Filing Instructions section of the PSLA Procedures Manual.)
- 5) The following items will not be accepted as endorsements:
 - 1) Copies of customer invoices
 - 2) Emails received from underwriters
 - 3) Endorsement activity printed on paperwork with Declaration Page headings

As always, if you have any questions regarding PSLA's Endorsement or Filing submission process, please contact Anna Bowers at extension 107.

KAR/cmw