

The Surety & Fidelity Association of America

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MEMORANDUM

To: Members Filing Statistics and Stat Filers (Full and Mini Plan)

From: Ed O'Donnell

Date: November 7, 2011

Re: Electronic Submission of SFAA Data and Reconciliation Report

The SFAA is working to improve the efficiency of the Call for Statistics process, up to and including the creation of its statistical reports. Below are some of the ways SFAA members and stat filers can save time as they file their surety, fidelity and financial guaranty statistics, and help expedite the process of compiling this data into statistical reports. Please take time to review the submission options, some of which are new or have only recently become available, as well as new requirements regarding the Reconciliation Report.

Electronic Submission Process

We recommend that members and stat filers start the submission process with the SFAA Company Edit Package (CEP). This software program, available in PC or mainframe versions, allows a company to run the data through the SFAA Edit Definitions in-house. Corrections can be made prior to submission, greatly reducing the chances that the submission will be rejected. A subscription to the SFAA CEP is available through ISO with an annual cost of \$560, and includes quarterly updates containing any changes to the Edit Definitions. Contact Andy Gobetz at agobetz@iso.com or 201-469-2232 to order this software.

The fastest way to submit the data is through ISOeSubm. This FTP option is free and allows the direct upload of SFAA data, and users receive immediate confirmation of their submissions. Transmitting data via ISOeSubm can save days compared to sending disks or cartridges via ground. Members and stat filers must create an SFAA-specific mailbox to use ISOeSubm, even if they use this method to submit data for other stat plans to ISO. Contact me at eodonnell@surety.org or 202-778-3632 for more information.

Feedback about your data submissions (due by March 1, 2012) will now be available in electronic format. The Submission Analysis Report (SAR) can be sent to your SFAA electronic mailbox immediately after the file is processed. Once again, you can eliminate days from the submission process and determine the result of the submission earlier. This free service requires that you have an SFAA-specific mailbox, such as the one used for ISOeSubm, and that you notify me prior to the end of 2011 that you would like to receive electronic reports.

Reconciliation Report

Two major changes have been made to the Reconciliation Report process. The new due date for the submission of the Reconciliation Report will be April 30, rather than June 30. Members and stat filers may request an extension they need an additional two to four weeks to complete the revised report.

We will now also require a state by state explanation of any discrepancies between the premium or loss amount listed on the annual statement compared to the amount submitted in statistics to the SFAA. Clear accounting of the data omitted from submissions is crucial to the data validation process.

Two structural changes have also been made to the report. Members and stat filers have been asked in the past to complete the "Companies Reporting Statistics to the SFAA" report, listing all companies for which you included statistics in your Call submissions. This form allows us to verify which companies in a group submitted data and which did not. It will now be a worksheet in the Reconciliation Report, rather than a separate Excel spreadsheet (see attached draft).

Previously, state by state surety and fidelity premium and loss amounts were included on one worksheet. In the new report, each line of business will have its own worksheet. Members and stat filers should complete the worksheets relevant to their submission.

We want to make the process of submitting SFAA data as smooth as possible, and hope that these changes will facilitate the vetting of the Call data, improve the quality of SFAA data, and expedite the creation of SFAA reports. As always, feel free to contact me at eodonnell@surety.org or 202-778-3632 if you have any questions regarding these changes, or the process in general.