

SFAA CALL FOR STATISTICS
CALENDAR YEAR 2016
FIDELITY AND SURETY MINIMUM STATISTICAL PLAN

JANUARY 1, 2017

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PART I – GENERAL INSTRUCTIONS

- A. The report of statistics is to be submitted on “direct” business only, exclusive of reinsurance ceded or assumed.

Companies should not include business written through the New York Excise Bond Underwriters (NYEBU). The business of the NYEBU is reported directly to SFAA by the NYEBU.

- B. Transmittal Letter (T/L) Form SA-191M is to be used for all submissions reported under the Fidelity and Surety Minimum Statistical Plan. Instructions for the completion of the T/L are given in Part VII of this Call. Companies may access and print T/L Forms on the SFAA website at <http://www.surety.org/content.cfm?lid=22&catid=9>.

- C. Prior to submission of statistics to SFAA the carrier shall make an audit of the statistics being reported to detect and correct any errors in the assignment of statistics.

- D. The technical requirements for reporting data are given in Part V.

- E. Financial Guaranty business (annual statement line 10) is to be reported by using existing SFAA procedures for reporting Surety statistics. It is important that such business be reported under the Surety ASLOB code 240. Differences between statistical submissions and annual statement totals that result from this action are to be explained in Part 2 of the Reconciliation Statement.

- F. Reporting companies are strongly encouraged to review the Incentive Assessment Program description. This program details the fines levied on reporting companies if data is submitted past the established due dates. The program description is available on the SFAA website at <http://www.surety.org/scontent.cfm?lid=22&catid=9&spid=39>.

- G. Questions regarding this Call should be directed to Ed O’Donnell at eodonnell@surety.org or (202) 778-3632.

PART II – INSTRUCTIONS FOR THE REPORTING OF STATISTICS

A. Premium Transactions

1. Carriers must file premium transactions on an annual basis only. Premium transactions must be received by SFAA at our receiving location by March 1, 2017.
2. Instructions for the coding of premium records are contained in the Fidelity and Surety Minimum Statistical Plan.
- . This Call is applicable only to transactions on policies effective on or after the company's implementation of the Fidelity and Surety Minimum Statistical Plan.

B. Paid Loss Transactions

1. Carriers must file paid loss transactions on an annual basis only. Paid loss transactions must be received by SFAA at our receiving location by March 1, 2017.
2. Paid Allocated Loss Adjustment Expense should be included in this file.
- . Instructions for the coding of Paid Loss records are contained in the Fidelity and Surety Minimum Statistical Plan.
4. Report only the Paid Loss transactions on policies effective on or after the company's implementation of the Fidelity and Surety Minimum Statistical Plan.

C. Losses Outstanding

1. Outstanding Losses as of December 31, 2016 must be received by SFAA at our receiving location by March 1, 2017.
2. Outstanding Allocated Loss Adjustment Expense should be included in this file..
- . Instructions for the coding of Outstanding Loss records are contained in the Fidelity and Surety Minimum Statistical Plan.
4. Report only the Outstanding Loss transactions on policies effective on or after the company's implementation of the Fidelity and Surety Minimum Statistical Plan.

PART III – SUBMISSION REJECTION PROCEDURE

A. Out of Balance Rejection Criteria

The following cases apply to Full Original Submissions, Partial Original Submissions, Resubmissions, and Supplemental Submissions:

1. **Total Dollar Amount of Processed Detail Records VS T/L Grand Total Dollars:**
Submission will be rejected if the difference between the Reported Detail Dollar Amount and the Transmittal Letter Grand Total Dollars is greater than or equal to one percent (1%) of the Transmittal Letter Grand Total Dollars.
2. **Total Number of Processed Detail Records VS T/L Grand Total Records:**
Submission will be rejected if the difference between the Reported Detail Record Count and the Transmittal Letter Grand Total Records is greater than or equal to one percent (1%) of the Transmittal Letter Grand Total Records.
3. **Total Dollar Amount of Processed Detail Records VS Corresponding Submission Control Record Dollar Amount:**
Submission will be rejected if the difference between the Reported Detail Dollar Amount and the Submission Control Record Dollar Amount is greater than or equal to one percent (1%) of the Submission Control Record Dollar Amount.
4. **Total Number of Processed Detail Records VS Corresponding Submission Control Record Count:**
Submission will be rejected if the difference between the Reported Detail Record Count and the Submission Control Record Count is greater than or equal to one percent (1%) of the Submission Control Record Count.
5. Submission will be rejected if the total dollar amount of error records equals or exceeds twenty-five percent (25%) of the total dollar amount of records processed.
6. Submission will be rejected if the total number of error records equals or exceeds thirty-five percent (35%) of the total number of records processed.

PART IV – SUBMISSION CONTROL RECORDS

- A. Submission Control Records will be required for all types of submissions except "No Statistics to Report" submissions (Type of Submission "0").

Note: when submitting data via ISOeSubm, please refer the ISOeSubm User Guide for information about coding and placing Transmittal and Submission Control records in the file. The guide is available on the SFAA website at <http://www.surety.org/statdept/fsreporting/ISOeSubmUserGuide.pdf>.

- B. Submission Control Records shall be submitted on the same tape with individual Group submissions. The Submission Control Record layout is shown below:

1	CONTROL RECORD ID	
2		
3	MODULE ID	
4		
5	COMPANY OR	
	GROUP	
8	NUMBER	
9	MONTH	ACCOUNTING
10	YEAR	PERIOD
11	TYPE OF STATISTICS	
12	TYPE OF SUBMISSION	
13	TYPE OF SUBMISSION COUNT	
14		
15	DOLLAR AMOUNT	
24		
25	RECORD COUNT	
33		
34	BLANK	
80		

PART IV – SUBMISSION CONTROL RECORDS (Con't)

- C. In order to facilitate coding, codes applicable to the Submission Control Records are shown below:

COLUMN	DESCRIPTION	VALID CODES	REMARKS
1-2	Control Record Identification	SC	Indicates Submission Control Record
3-4	Module Identification	18	Subline = 001 (Fidelity/Crime); Subline = 002 (Surety)
5-8	Company or Group Number		Same as Associated T/L
9	Accounting Month	& (card code 12)	Indicates month of December
10	Accounting Year	0-9	Indicates last digit of Year
11	Type of Statistics	1 – Premiums 2 – Paid Losses 3 – Outstanding Losses	Same as Associated T/L
12	Type of Submission	1 – Full Original 2 – Partial Original 3 – Resubmission 6 – Supplemental	Same as Associated T/L
13-14	Type of Submission Count		Same as Associated T/L
15-24	Dollar Amount		
25-33	Record Count		
34-80	Reserved for Future Use	Leave Blank	

PART V – TECHNICAL REQUIREMENTS

A. GENERAL REPORTING REQUIREMENTS

1. Data must be reported in electronically using ISOeSubm or the Statistical Web Service (SWS). For more information about the free SWS web interface to upload data and receive electronic Submission Analysis Reports, please contact Rich Morales at RMorales2@iso.com or (201) 469-2272.

B. ISOESUBM REPORTING REQUIREMENTS

1. REQUIREMENTS

- a. Companies are NOT required to have an existing ISOeSubm account to file under the CSP plan in order to file SFAA statistics.
- b. Companies MUST establish an SFAA-specific ISOeSubm Mailbox; SFAA statistics CANNOT be submitted under a company's CSP mailbox.
- c. Files must be named according to our naming standard. File names must be in the format sfaa*.zip, where the * can be almost any character string to identify and track the submissions. There is no byte limit on the file name. Note that embedded spaces and special characters are not permitted in file names: only use A-Z, a-z, 0-9, _, and – characters in your file name. Generally, the file name is not case sensitive, but the 'sfaa' and 'zip' components of the name must each be all upper case or all lower case. For example, SFAA*.zip or sfaa*.ZIP are acceptable formats, but Sfaa*.Zip is not acceptable.
- d. For more details, review the ISOeSubm User Guide at <http://www.surety.org/statdept/fsreporting/ISOeSubmUserGuide.pdf>.

C. AVAILABLE VOLUNTARY COMPANY EDIT PACKAGE

1. ISO also has a Company Edit Package to assist in the preparation and error correction of all SFAA submissions. The CEP is available by subscription. Please contact Rich Morales at RMorales2@iso.com or (201) 469-2272 for more information or to subscribe.

PART V – TECHNICAL REQUIREMENTS (Con't)

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PART V – TECHNICAL REQUIREMENTS (Con't)

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PART VI – FORMS FOR REPORTING STATISTICS

A. Notice of Transmittal of Statistical Data (Premiums and Losses)

The Notice of Transmittal/Transmittal Letter form (Form SA 191M) is to be used for all premium, paid loss and outstanding loss submissions reported under the Fidelity and Surety Minimum Statistical Plan. Companies may access and print Transmittal Letter Forms on the SFAA website at <http://www.surety.org/content.cfm?lid=22&catid=9>. Transmittal Letter guidelines are included in Part VII.

Email all Transmittal Letter forms to eodonnell@surety.org immediately after uploading SFAA data files. These forms no longer need to be sent to ISO.

B. Accept Option Form

Not available for minimum plan submissions.

PART VII – TRANSMITTAL LETTER GUIDELINES**A. Definitions**

1. Transmittal Letter (T/L) – A form that accompanies experience, or the lack thereof, signed by the company official responsible for compilation of statistical data for a Group or Company that reports to the SFAA under the Fidelity and Surety Minimum Statistical Plan. Specific items included on the T/L are defined below.
2. Company/Group Name – The Company/Group Name represents the name of each reporting Carrier. A Group may wish to subdivide its reports by Company or a collection of Companies with prior SFAA approval.
3. Company/Group Number – Each reporting Company/Group is assigned a four-digit identification number by SFAA and this is entered as the Company/Group Number. Each Company/Group Number is assigned affiliated Company Numbers for member Companies of the Group. The Company/Group Number is always an affiliated Company Number.
4. Accounting Month and Year – Accounting Month must be December. Accounting Year shall indicate the year for which data is being submitted.
5. Type of Statistics – Indicates whether the submission reflects Premiums, Paid Losses or Outstanding Losses. A T/L may represent only one Type of Statistics, and each Type of Statistics shall have one T/L when reported. The three Types of Statistics are:
 - a. Premiums (Type of Statistics "1") – Representing the Direct Premiums Written for transactions entered on the company books for the Accounting Period.
 - b. Paid Losses (Type of Statistics "2") – Payments on claims for transactions entered on the company books for the Accounting Period. REPORT PAID ALLOCATED LOSS ADJUSTMENT EXPENSE DATA IN THIS FILE.
 - c. Outstanding Losses (Type of Statistics "3") – Reserves for future payments for transactions as of the end of the year. REPORT OUTSTANDING ALLOCATED LOSS ADJUSTMENT EXPENSE DATA IN THIS FILE.
6. Type of Submission – The manner in which the experience accompanying the T/L is being reported to SFAA. The Types of Submission are:
 - a. No Statistics to Report (Type of Submission "0") – Indication that no Fidelity or Surety transactions were entered on the company books for the Type of Statistics and the Accounting Period indicated. No submission control records are required for Type of Submission "0", but a T/L form must be submitted to the SFAA only.

Users of the Statistical Web Service can use the NIL Submission functionality under "Submission Options". A T/L form should still be sent the SFAA only.
 - b. Full Original (Type of Submission "1") – Indication that the Company/Group is reporting all transactions entered on the company books for the Type of Statistics and the Accounting Period indicated.

PART VII – TRANSMITTAL LETTER GUIDELINES (Con't)

- c. Partial Original (Type of Submission "2") – Indication that the Company/Group is reporting part of the transactions entered on the company books for the Type of Statistics and the Accounting Period indicated.
- d. Resubmission (Type of Submission "3") – Indication that the Company/Group is reporting experience previously rejected by SFAA or replacing previously submitted data containing company detected errors. Prior notification and approval by SFAA is necessary in the second case. Furthermore, if notification is received subsequent to the specified cut-off date, then a supplemental submission shall be used to correct the company detected errors.

The boxes under Resubmission are used to identify the "Type of Submission" and "Type of Submission Count" being resubmitted.

- e. Supplemental (Type of Submission "6") – Indication that the Company/Group is reporting experience in addition to that contained in the "Original" Submission(s) for the Type of Statistics and the Accounting Period indicated for one or both of the following reasons:
 - i. The original Submission(s) was (were) incomplete.
 - ii. The Company/Group is correcting detail record errors it has discovered for which SFAA did not discover any errors. Offsets and re-entries are needed.
7. Type of Submission Count – The sequential number assigned to each Type of Submission.
8. Final Partial – That Partial Original Submission which completes the reporting for the Company/Group of the transactions entered on the company books for the Type of Statistics and the Accounting Period indicated.

B. Receipt of Data for All Types of Submissions

Each Reporting Company or Group completes a Transmittal Letter (T/L) and emails it to eodonnell@surety.org immediately after the associated file has been uploaded.

Before the submission is processed through the Receipt and Acceptance (R&A) phase, the Transmittal Letter is validated, that is, the Transmittal Letter shall be properly completed to allow for R&A processing. The validations performed are:

- 1. Item 1: The Company/Group Name entered shall be an SFAA Reporting Company or Group eligible to report statistics under the Fidelity and Surety Minimum Statistical Plan.
- 2. Item 2: The Company/Group Number entered shall be an SFAA Reporting Company or Group Number.
- 3. Item 3: A valid Accounting Month and a valid Accounting Year shall be entered.
- 4. Item 4: The Type of Statistics shall be "1", "2", or "3".

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5. Item 5: The Type of Submission shall be "0", "1", "2", "3", or "6". The Type of Submission Count cannot be left blank.
6. Item 6: This shall be left blank, or contain an "X" only if Type of Submission is "2".
7. Item 8: Grand Total Dollars shall be numeric or blank. Grand Total Dollars should be blank for "No Statistics to Report" only. If the Grand Total Dollars is negative, the credit box must contain an "X", otherwise the box should be blank.
8. Item 9: Grand Total Records cannot be negative and may be left blank for Type of Submission "0" only.
9. Items 1 and 2: The Company/Group Name and Company/Group Number shall agree.
10. Items 2 and 3: The Company/Group Number shall be affiliated with SFAA for Fidelity and Surety Minimum Statistical Plan reporting for the Accounting Period shown.
11. Items 3 and 4: Type of Statistics "1", "2", and "3" can only be reported for the Accounting Month of December.

C. Original Submissions

The following apply to Original Submissions only and these errors may be cause for rejection.

1. Full Original Submissions
 - a. Item 5: Type of Submission shall be "1".
Type of Submission Count shall be "01".
 - b. Item 6: This shall be left blank.
 - c. Item 9: This shall be non-zero.
2. Partial Original Submissions
 - a. Item 5: Type of Submission: This shall be "2".
Type of Submission Count: This shall be "01" for the first Partial Original Submission, "02" for the second Partial Original Submission, and so on for each necessary Partial Original Submission.
 - b. Item 6: An "X" is entered for the final Partial Original Submission. When an "X" is entered, no further Partial Original Submissions may be reported.
 - c. Item 9: This shall be non-zero.

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D. Receipt and Acceptance Processing

Validations will be performed (in addition to those above) which may be cause for rejection, such as receiving a “Resubmission” before an “Original”, technical problems, damaged tapes or incorrect information in Item 9 of the T/L.

Submissions which pass through the initial Receipt phase are processed through the R&A programs. Field and Relationship Edits are performed on detail records, grand total controls are taken, distributional analyses are performed, an “error listing” is produced summarizing the results of processing, sequence numbers are assigned for parameter record error correction purposes, and a processing status is determined. At this point, submission may be rejected for one of two reasons:

1. The total dollar amount of the detail records processed is out of balance with Item 8 of the T/L.
2. The total number of detail records processed is out of balance with Item 9 of the T/L.

Rejections caused by any of the two reasons above require a Resubmission. The Type of Submission and Type of Submission Count applicable to the experience in a Resubmission shall be entered in the boxes provided under "Resubmission" on the Transmittal Letter.

E. Additional Causes for Rejection

If the submission has not been rejected in the initial R&A phase, it is still subject to rejection for any of the following reasons:

1. The total dollar amount of the detail records processed is out of balance with the corresponding Submission Control Record Dollar Amount.
2. The total number of detail records processed is out of balance with the corresponding Submission Control Record Count.
3. The total dollar amount of error records exceeds a specified percentage of the total dollar amount processed.
4. The total number of error records exceeds a specified percentage of the total number of records processed.
5. The submission was reported without a corresponding valid Submission Control Record or was reported without detail records but with a valid non-zero Submission Control Record. Submission Control Records are edited for validity and checked for duplicates.

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Submissions rejected shall be accounted for in a Resubmission. The Type of Submission and Type of Submission Count applicable to the experience in a Resubmission shall be entered in the boxes provided under "Resubmission" on the Transmittal Letter.

The procedure for handling rejected Submissions that never should have been submitted is to resubmit with "zeros" on the corresponding Submission Control Record.