

## **FREQUENTLY ASKED QUESTIONS BIOGRAPHICAL AFFIDAVIT**

### **General**

Question: Is it acceptable to leave a question or item blank if I don't know the answer, or that the question or item does not apply, or that the answer is none?

Answer: No, you must answer each and every question or item. If the answer is none, state "None". If the question or item does not apply, then state, "Not Applicable" or "N/A". By not responding to each question or item, you risk the various State Insurance Departments requesting an affidavit from you regarding your having not responded to that question or item.

Question: I am completing a primary application. We do not yet know the address and telephone number of the insurer. What information should I include?

Answer: Following the name of the present or proposed entity, insert, "To be determined" as your answer.

Question: The form does not allow enough space to respond to the questions or items. What should I do?

Answer: Attach a supplemental sheet to your Biographical Affidavit and cross-reference the question or item number with your response.

Question: When the question or item requires that I attach a copy of the complaint or settlement document or other similar document, do I need to just include it with the Biographical Affidavit?

Answer: Yes, but also indicate a cross reference on the document to the question or item in the Biographical Affidavit.

### **Item 1a**

Question: I never utilize my full name. I always utilize my initials when signing documents in an official capacity. No one would recognize me if I complete the form as indicated.

Answer: You must complete the form in the manner as indicated; that is, full name, no initials.

### **Item 2a**

Question: I have been married several times. Do I have to list all my former names?

Answer: Yes, answer the question completely.

### **Item 2b**

Question: Do I need to include just my nickname? For example, my peers know me as J.R., not John Robert Smith. Do I need to just fill in J.R. or J.R. Smith?

Answer: J.R. Smith

Question: I have utilized several aliases through out the years. I prefer to keep this information confidential. Am I required to disclose this information?

Answer: Yes.

### **Item 3a**

Question: I was a citizen of the United States and moved to another country where I am now a citizen. I don't know if I am still a citizen of the United States or not. How should I respond to this question?

Answer: You need to research the matter and provide a response.

### **Item 3b**

Question: I have citizenship in several countries. Do I have to list all of the countries?

Answer: Yes, even though the question may only allow for the listing of one country.

### **Item 4**

Question: I have several occupations. Item 4 of the Biographical Affidavit does not appear to allow for this. How should I respond?

Answer: If there is not room in the space to list your other occupations, you may provide a supplemental sheet cross-referencing the item number, i.e., Item 4.

### **Item 5**

Question: I have several businesses with various addresses, but primarily work out of my home. Which address or addresses should I utilize?

Answer: The address or addresses where the business or businesses are actually located.

Question: I primarily work out of my home in New Jersey, though the business is located in New York. Which telephone number should I utilize?

Answer: The telephone number(s) where you receive and make your business calls.

## **Item 6**

Question: I do not recall the exact dates that I attended college. Can I just guess?

Answer: No, because if you guess and are wrong, when the service that provides an independent certification of your Biographical Affidavit, or the background investigative agency completing the background report, verifies the information and submits their findings to the State Insurance Departments, a discrepancy will be noted. You may be required by the various State Insurance Departments to submit a notarized affidavit explaining the discrepancy; an unnecessary request had you researched the matter before guessing.

Question: What should be listed in “Other Training”? For example, I took some classes and received a certification to administer CPR and also to teach aerobics. Should I list this training?

Answer: Apply judgment in your response. The intent is to list professional training. For example, you took a training class and exam(s) to become a licensed Financial Planner.

Question: I do not recall the telephone number of the foreign school that I attended. Can I just leave this information off the form?

Answer: No, you need to respond to the question or item completely, even if it involves research.

## **Item 7**

Question: I used to be a member of a professional association. Do I still need to list the name of the association even though I am no longer active?

Answer: No.

Question: I am not a member of a professional society or association. Can I just leave this item blank?

Answer: No, you must fill in a response to each question or item on the form. Remember; utilize “N/A”, if not applicable, or state, “None”, if your answer is none.

## **Item 8**

Question: I have been asked to be a director of the company, I anticipate being named an officer in the immediate future. How should I respond to this item?

Answer: List your position(s) as of the date you signed the biographical affidavit.

## **Item 9**

Question: I do not want my current employer to be contacted as part of the verification or background investigative process. Do I still have to provide the information?

Answer: Yes.

Question: I do not have the fax number or telephone number of the entity that I worked for 18 years ago. I do not even know if the entity is still in business. What should I do?

Answer: Again, research the matter and provide a response for each blank in the question or item. If you cannot locate the information, than state so in your answer; do not leave the question or item blank.

### **Item 10a**

Question: It was 20 years ago that I was in a position that required a fidelity bond and there was a claim made on the bond, but I was not personally named in the claim. Do I have to disclose the information?

Answer: Your response should indicate you were in a position that required a fidelity bond. Then, you should disclose the claim and indicate that you were not personally named in the claim.

### **Item 11**

Question: I do not know the telephone number of the Securities and Exchange Commission. Can I just leave the space next to Non-Insurance Regulatory Phone Number blank?

Answer: No, please research the matter and provide a response.

Question: Thirty years ago I held a Broker's license while I was working at Lloyds of London. I do not recall the license number, whether it has expired, the address of the issuer or the license, etc. Should I reflect this license on the form, even though I have such limited information surrounding the license?

Answer: Yes, provide as much information as possible, and also research the matter as best as you can. After completing your research, to those items that still do not know the answer to, just indicate you do not know.

### **Item 12d**

Question: Over 30 years ago, when I was a teenager, I was arrested and charged with Driving Under the Influence ("DUI"). Do I have to disclose this?

Answer: If the arrest occurred in a jurisdiction that did not deem the DUI charge a civil traffic offense, but a criminal offense, you would need to disclose. In many states, a DUI is not considered a civil traffic offense, but a criminal offense.

Question: When I was 19, I walked out of a store with an item, it was an accident, but I was charged with shoplifting. The charges were ultimately dropped and I believe my record was expunged and besides, it happened so long ago when I was a youngster. Do I need to disclose?

Answer: If you know for a fact that your record was expunged, you do not need to disclose this information. If you are not sure if the record was expunged, it is best to disclose, and the fact that you were 19 is irrelevant.

### **Item 12h**

Question: We had an employee that sued the company five years ago regarding alleged unpaid wages. The company was named in the suit, as well as myself and two other directors. Do I need to disclose this matter?

Answer: Yes, you were named. The instructional paragraph to item 12 of the Biographical Affidavit says, "Have **you** ever".

### **Item 12i**

Question: I was personally involved in violating a small loan law, not intentionally; however, an official other than the Comptroller alleged the violation. Do I need to disclose this matter since the party alleging the violation was not a “Comptroller”, per say.

Answer: Absolutely, disclose the information.

### **Item 12j**

Question: When I went through my divorce, a foreclosure action was filed against me and my wife with regards to our home. It was not all my fault. Do I need to disclose this, especially since my wife was also named?

Answer: Yes.

### **Item 13**

Question: I have established a Trust for each of my minor children to hold the stock of our family owned insurance company until they are 21 years of age. There are three children, and each child holds 13% of the stock. I am just Trustee, my ownership is 5%, but I can vote the children’s stock. Do I have to disclose this?

Answer: Yes, you as an individual have the ability to vote 10% or more of the outstanding stock.

### **Item 14**

Question: Within the holding company system, I own shares of stock of our Claims Management Company, a Managing General Agency, A Risk Management Company and a Computer Software Company. What do I need to disclose, if anything? My direct ownership percentage is 5% for each entity. Do I need to disclose anything?

Answer: No, refer to the definition of control in item 13 of the Biographical Affidavit.

### **Item 15**

Question: I am personally in the midst of a bankruptcy proceeding at this time. Do I need to disclose the proceeding; it is still ongoing.

Answer: We suggest you disclose, and indicate the proceeding is ongoing.

### **Item 16a**

Question: Prior to my being promoted to a key managerial position within the company, the company had its Certificate of Authority denied in Puerto Rico. This occurred six months ago. My promotion occurred last month. Do I need to disclose this information?

Answer: No, because at the time of the denial, you were not in the managerial position.

**Item 16b**

Question: Six months after I left the XYZ Insurance Company, where I held the position of Director, the company had their Certificate of Authority suspended, but it occurred twelve (12) years ago. Do I need to disclose?

Answer: Yes. The instructional paragraph to item 16 of the Biographical Affidavit would require that you disclose because the event occurred within twelve (12) months of your departure.

**Item 16c**

Question: Do I need to disclose market conduct fines imposed by the various State Insurance Departments? We had an incident where we utilized an unapproved form; 12 states fined us. This is a lot of information to disclose. What should we do?

Answer: Disclose.