

Biographical Affidavit—Frequently Asked Questions

a. Who must submit the NAIC Biographical Affidavit?

The NAIC Biographical Affidavit is required to be submitted by an applicant in connection with pending or future application(s) for licensure or a permit to organize with a department of insurance in one or more states. The NAIC Biographical Affidavit must be submitted on behalf of all officers, directors and key managerial personnel of the applicant and individuals with a ten percent (10%) or more beneficial ownership in the applicant or the applicant's ultimate controlling parent ("Affiant").

b. What type of information is requested in the NAIC Biographical Affidavit?

The NAIC Biographical Affidavit requests information with respect to your employment history, education, personal information and character. The NAIC Biographical Affidavit also includes the Disclosure and Authorization Concerning Background Reports (the "Disclosure & Authorization Form"). The Disclosure & Authorization Form permits a background investigation to be conducted on the Affiant by an Independent Third Party (as defined in paragraph (i)).

c. Which Disclosure & Authorization Form should be utilized?

The NAIC Biographical Affidavit includes three types of Disclosure & Authorization Form. There are three different Disclosure & Authorization Forms since certain state laws; regulations and rules require different kinds of disclosures and wording within such form. An Affiant must sign the corresponding Disclosure & Authorization Form(s) for the respective state(s) where the affiant has lived or worked within the last ten years. Refer to the Disclosure & Authorization Forms for further information.

d. Why is the NAIC Biographical Affidavit necessary?

The NAIC Biographical Affidavit is used to evaluate the suitability of the Affiant in connection with an applicant's pending or future application(s) for licensure or a permit to organize with a department of insurance in one or more states.

The information contained in the NAIC Biographical Affidavit is used as a tool to perform a background investigation where certain items must be verified. The background investigation may contain information bearing on the Affiant's character, general reputation, personal characteristics, mode of living and credit standing. The background investigation shall be utilized to create a background report (the "Background Report").

e. How long is the Disclosure & Authorization Form valid?

The Disclosure & Authorization Form is valid for a maximum of one year and, in certain instances, only valid for one pending application. Additionally, an Affiant may revoke the authorization at any time by delivering a written revocation to the applicant. Refer to the Disclosure & Authorization Form for further information.

f. Are the Background Reports subject to the Fair Credit Reporting Act?

The Background Reports are subject to the Fair Credit Reporting Act ("FCRA"). Pursuant to FCRA, the state departments of insurance and an applicant who is seeking admission are considered "users" of consumer reports. The FCRA requires that the Affiant be provided with a copy of the "Summary of your Rights Under the Fair Credit Reporting Act." Applicants should provide a copy of the Summary of your Rights under the Fair Credit Reporting Act to each Affiant. This summary can be found at the Federal Trade Commission ("FTC") website at <http://www.ftc.gov/bcp/online/edcams/fcra/summary>.

Applicants and state departments of insurance are required to comply with FCRA, especially as it relates to confidentiality of the information contained in such consumer reports. To the extent required by law, the Background Reports procured under the Disclosure & Authorization Form should be maintained as confidential. A copy of FCRA can be found at <http://www.ftc.gov/os/statutes/fcra.htm>.

g. Who is permitted to receive a copy of the Background Report?

The Background Report may be received by a department of insurance in any state where an applicant files or intends to file an application, and to the applicant. Affiants who desire a copy of their Background Report, may request a copy from the applicant or the CRA as indicated on the Disclosure & Authorization Form. Refer to the Disclosure & Authorization Form for further information.

h. Is any other information or documentation required to be submitted to a state department of insurance?

Please check state specific requirements in the chart referenced below for those states that require additional background information, such as fingerprints, in place of or in addition to, NAIC Biographical Affidavits. If applying in one of those states, necessary fingerprint cards and processing fees should be included.

Original NAIC Biographical Affidavits, which contain the Disclosure & Authorization Form, should be submitted to the State Department(s) of Insurance as Item 13 of your application.

Click here for Fingerprint and Biographical Affidavit information [[PDF](#)]

i. What is an Independent Third Party?

Independent Third Party is defined as:

- (a) A consumer reporting agency (“CRA”) by the Federal Trade Commission (“FTC”) and therefore subject to the FCRA,
- (b) Has the ability to perform international background investigations,
- (c) One whose officers and directors have no material affiliation with the applicant other than stock ownership amounting to less than 1% of total stock outstanding, unless prior approval is given by the department of insurance to which application is being made, and
- (d) Is approved by the NAIC and/or such state(s) where an application is being made.

Refer to the UCAA website for a list of currently approved independent third party vendors/CRA’s.