NOTICE

To: Admitted Insurers and all Other Interested Parties

Date: April 22, 2005

Subject: Fingerprint Fee Increase and NAIC’s Central Repository for Digital Fingerprints – California Resident Insurance Producers

Fingerprint Fee Increase

Effective May 1, 2005, Identix Identification Services (IIS) will increase its fee from $74 to $76 for all California Department of Insurance (CDI) applicants. This includes insurance producers, company officers, directors, key managerial personnel, individuals with a ten percent or more beneficial ownership of the insurer, and their ultimate controlling parents. This fee increase is a result of the implementation of Penal Code Section 11077.2, which states that effective July 1, 2005 fingerprints submitted to the California Department of Justice (DOJ) must be submitted electronically. To comply with this law, IIS now has an office in Long Beach to transmit the fingerprint impressions to the DOJ. This fee increase applies to both resident and non-resident license applicants.

A breakdown of the fingerprint fee is as follows: $20 for electronic fingerprint impressions; $32 processing fee for the DOJ; and $24 processing fee for the Federal Bureau of Investigation (FBI).

NAIC’s Central Repository for Digital Fingerprints

Currently, CDI’s fingerprint vendor, IIS, submits fingerprint impressions of all license applicants to the DOJ and the FBI. Effective May 1, 2005, IIS will also submit fingerprint impressions for resident insurance producer license applicant to a secured centralized repository maintained by the National Association of Insurance Commissioners (NAIC). Insurers and agencies should notify their employees fingerprinted after May 1st that a copy of their prints will be sent to the NAIC’s Central Repository for Digital Fingerprints (the Repository). At this time, only fingerprint impressions for those resident insurance producer license applicants will be submitted. In the future, fingerprint impressions for nonresident insurance producer license applicants may also be submitted to the Repository.

There are currently five states participating in the Repository. These states are Alaska, California, Idaho, New York and Pennsylvania. The Repository allows licensed agents who later apply for licensure in one of the participating states to have their fingerprints transmitted to law enforcement agencies in the subsequent state where they are applying.

If you have any questions regarding this matter, please contact the Examination Section at (916) 492-3570.