STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION
BEVERLY EAVES PERDUE

DIVISION OF MOTOR VEHICLES

EUGENE A. CONTI, JR.

GOVERNOR

SECRETARY

July 2009

TO: **NC LICENSED INSURANCE COMPANIES**

FROM: **Janet B. Ashley, Manager**
        Liability Insurance Unit

RE: **North Carolina Filing Requirements regarding FS-1's and FS-4's Forms**

The Department of Insurance has informed NCDOT of your authority to write automobile liability insurance coverage in the State of North Carolina. The Department of Transportation, Division of Motor Vehicles implemented a new computer system on August 2, 1999. This system is called LITES (Liability Insurance Tracking & Enforcement System). In an effort to assist you, the attached information has been designed to indicate our reporting specifications. Amendment to General Statute 20-309 requires notification to the Division on new policies written. The amendment also requires electronic notification if your company has $25,000,000 or more in annual vehicle insurance premium.

The individual declared as the liaison between the insurance companies and the Division of Motor Vehicles will need to complete our contact sheet (page 2) and return. Upon request, a hard copy of General Statutes, policy and procedure implementations will be forwarded to the designated contact person in your corporate, district or regional office. An e-mail address incorporates an additional way to receive Rejection/Random Sampling Reports other than by mail. Group name, if applicable, should be shown as the parent name of all associated companies authorized to write North Carolina automobile liability coverage. If you are not currently writing automobile liability coverage in our State, we would appreciate a response back. Upon your response, our records will be updated accordingly. Should you need further information, refer to the chart on Page 2.

North Carolina Department of Transportation
Division of Motor Vehicles
Liability Insurance Unit

SUBJECT	CONTACT	CONTACT INFORMATION	
EDI/GXS Connect:Direct FTP with SSL	LITES Project Team	E-Mail:	litesprojectteam@ncdot.gov
RACF ID and ITS Billing Code STARS Inquiry	Traffic Records	Phone: Fax:	(919) 861-3062 (919) 715-9099
NC Filing Requirements Electronic & Tape Transfer Test Planning	Liability Insurance Unit	Phone: Fax: E-Mail:	(919) 861-3544 (919) 861-3617 insuranceinfo@ncdot.gov

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If you are responding for more than one parent insurance company, please list all of the North Carolina companies you represent, including the unique three (3) digit insurance company code. Also, in order to reduce the volume of future communications, advise the Division if a company is *not* currently writing automobile liability insurance policies in North Carolina. Provide this information in the table provided below. **You may fax this sheet or send via e-mail to the Liability Insurance Unit as referenced in the contact information above.**

Date: _____

Contact Name/Title: _____

Contact Telephone: (_____) _____

Contact Fax: (_____) _____

Contact Email: _____

Contact Address: _____

_____

Insurance Group: _____
  (if applicable)

Insurance Company & Assigned Company Code Used on FS-1 and FS-4 Forms	Writes in NC (Yes/No)	If yes, your transmission will be: (Paper, Tape, or Electronic)	If yes, your transmission will occur: (Daily, Weekly, Monthly, etc.)

FORMS FS-4 and FS-1: Regulations for Filing

I.   Liability Insurance Certification

A.   If the financial responsibility for a vehicle is a liability insurance policy, the owner of the vehicle must certify to the existence of the policy and furnish sufficient information on forms provided by the Division of Motor Vehicles to enable verification of the policy's existence.

B.   Certification shall be made at original registration and at such times as a motor vehicle registration transaction is made between the owner and the Division of Motor Vehicles.

II.   Termination Notices

A.   North Carolina Notice of Termination Form **FS-4** shall be used to notify the Commissioner of the Division of Motor Vehicles of termination of motor vehicle liability insurance. The form shall be supplied by the insurer and must include the items in Section C below. A notice of termination for a policy covering multiple listed vehicles also requires a Form **FS-4**. For data transmitted by tape or electronically, a separate record for each vehicle is required; for paper submissions, please refer to page 4.

B.   Insurers shall also notify the Commissioner of the North Carolina Division of Motor Vehicles immediately upon effective date of cancellation or deletion of a motor vehicle from a motor vehicle liability insurance policy. Notification to the Commissioner is *not* necessary if a vehicle is deleted from a policy and replaced with another vehicle or is insured under a fleet policy by the same insurer. A fleet policy is defined, as a policy with five or more vehicles not listed individually by year, make, model or identification number.

C.   The North Carolina Notice of Termination Form FS-4 has been approved by the Commissioner of the North Carolina Division of Motor Vehicles. The form shall contain the following fields.

- Name and address of the registered owner
- Name of insurance company and code number
- Date of birth of registered owner, if available (non-fleet policies)
- Drivers license number of registered owner, if available
- Year, make, and identification number of vehicle
- Termination date
- Effective date of policy
- Date prepared
- Signature of facsimile signature of authorized representative of insurance company (may be pre-printed or stamped)

III.   Reinstatement and Renewal Notices

A.   If a termination of liability insurance (**FS-4**) was issued to the North Carolina Division of Motor Vehicles and the insured was subsequently reinstated or renewed, the insurer must inform the Division with an **FS-1**, certificate of insurance, provided such reinstatement or renewal has occurred without any lapse in coverage.

B.   FS-1's shall be issued upon request from the insured, request from the Division of Motor Vehicles or to reinstate with no lapse in coverage.

C.   When an insurance company terminates a policy and issues another policy, without a lapse, **no FS-4** is necessary. The insurance company shall issue an **FS-1** showing continuous coverage. Continuous coverage for a policy covering multiple listed vehicles also requires a Form **FS-1.** For data transmitted by tape or electronically, a separate record for each vehicle is required, for paper submissions, please refer to page 4.

D. The certificate of insurance shall be on a form approved by the Commissioner of the North Carolina Division of Motor Vehicles. The form shall be designated an **FS-1** and shall reflect the following:

- Name and address of the registered owner
- Name of the insurance company and code number
- Date of birth of registered owner, if available (non-fleet policies)
- Drivers license number of registered owner, if available
- Year, make, and identification number of vehicle
- Effective date of policy
- Date prepared
- Signature of facsimile signature of authorized representative of insurance company (may be pre-printed or stamped)

IV. Authorization

A. An agent representing an insurance company may issue the FS-4 or FS-1 if authorized to do so by the company.

FORMS FS-4 and FS-1: Media / Field Requirements (Paper)

Media Requirements for Paper Forms

Paper forms will no longer be scanned with the AEG PFL 6150 Form Reader. Please disregard previous requirements regarding paper, opacity, mechanical properties, paper edges, cut size and ink. Paper forms are to conform to the design for Forms FS-4 and FS-1 included in this packet (page 8), **including the size requirement of 7"w x 4 ¼"h per form.** Certain items of text that appeared on the previous forms have been eliminated from the new layout – this text may be included at your discretion but must not affect the 7 x 4 ¼ size requirement. The new forms have been designed so that 2 forms will fit on one 8 ½"w x 11"h sheet of paper for the purpose of faxing. Any forms not computer-generated must be typed.

See the end of the document for an example of each form.

Field Requirements for Paper Forms

1. Vehicle Year:
   a. For both personal and business operating a single vehicle: Enter 4 digit year of manufacture (yyyy).
   b. For business operating a schedule of vehicles: Leave blank and enter each vehicle year separately on an attached schedule, along with the corresponding VIN and vehicle make.
   c. For dealership, transporter, or drive-away: Leave blank.

2. Vehicle Make:
   a. For both personal and business operating a single vehicle: Enter first 4 letters of vehicle make (Ex. "Chev", "Buic").
   b. For business operating a schedule of vehicles: Leave blank and enter each vehicle year separately on an attached schedule, along with the corresponding VIN and vehicle year.
   c. For dealership, transporter, or drive-away: Leave blank.

3. Vehicle Identification Number (VIN):
   a. For both personal and business operating a single vehicle: Enter vehicle identification number obtained from vehicle registration card or from dashboard of vehicle.
   b. For business operating a schedule of vehicles: Enter 'See Attached Schedule' and enter each VIN separately on the attached schedule.
   c. For dealership, transporter, or drive-away: Enter 'Garage Liability Policy'.

4. Insurance Company Name: Enter company name.

5. Insurance Company Code: Enter code assigned at the time company is licensed in state.

6. Policy Number: Enter policy number.

7. Registered Owner (optional):   Personal: Enter first, middle, and last name along with any suffix in the appropriate fields.
    Business: Enter name of business.

8. Drivers License Number (optional):   Personal: Enter drivers license of registered owner of vehicle.
    Business: Enter customer ID assigned to business at time of N.C. registration.

9. Date of Birth (optional):   Personal: Enter date of birth of registered owner of vehicle.
    Business: Leave blank.

10. Street Address (optional):   Enter for registered owner of vehicle.

11. City, State, Zip (optional):   Enter for registered owner of vehicle.

12. Termination Date: Form FS-4: Enter date policy was terminated (mmddyyyy).
    Form FS-1: Leave blank.

13. Effective Date: Form FS-4: Enter date policy went into effect (mmddyyyy).
    Form FS-1: Enter date policy was renewed (mmddyyyy).

14. Preparation Date: Enter today's date or when form was prepared (mmddyyyy).

FORMS FS-4 and FS-1: Media Requirements (Electronic)

EDI/GXS

GXS Information Exchange provides companies the ability to establish secure connections to one another by providing written permission outlining the connectivity desired by each company. Many insurance companies are currently processing forms FS-1 and FS-4 with the State of North Carolina using the product **Expedite** offered by GXS Information Exchange. Expedite is a mailbox-based product that allows companies with dissimilar systems to exchange files. Expedite supports OS/390, AS/400 PC/DOS, OS/2 and Windows platforms.

GXS Information Exchange can be contacted at 1-877-326-6426.

File Transfer Protocol with SSL (FTPS)

FTP is a transfer protocol that is fairly common throughout information technology companies. FTP with SSL is an extension of this that adds transport layer security (TLS) and secure socket layer (SSL) cryptographic algorithms. This ensures that the data being transmitted from one company to another is protected from any unauthorized viewing while in transit, which is critical for the sensitive nature of the FS-1 and FS-4 data.

When dealing with FTPS, it is understood that the FTP client software is very platform specific and not all software supports encryption. Because of the variety of software packages available, we require for the State of North Carolina that any company looking to utilize FTPS use the full capabilities of the encryption algorithms available. As such, the following requirements will be enforced:

1. Client software must support explicit mode FTPS by sending the command "AUTH TLS".

2. Client software must support passive mode FTP.

3. Client software must be able to accept "well-known" digital certificates transmitted by the state mainframe as self-signed certificates are not permitted on these state resources.

4. Client software must be able to process Port Command Format 2 or have the ability to ignore the IP address that is provided in Port Command Format 1.

5. Client software must be able to transmit data in a file structure compatible with MVS formats as the mainframe is not setup to accept any other file structure at this time.

6. Clients must be able to open TCP Ports 50000 – 50040 on their firewall in order to process the data connection from the state mainframe.

7. In order to guarantee encryption for all data transmitted via FTPS, clients will only be authorized certain TCP ports that are designed for these types of transactions. The client will be notified of the approved TCP ports once the account for the client has been set up.

To help streamline the implementation of these requirements, the Office of Information Technology Services (ITS) for the State of North Carolina is prepared to assist you with establishing an FTPS account and ensure that the communication protocols are in place.

Other Electronic Media Formats

The State of North Carolina also Connect Direct. This is a mainframe to mainframe application that is available for use but require technical effort on both ends to get set up properly. This is the only other electronic protocol that will be accepted at the NCDOT until further notice. It is anticipated that other protocols may be accepted in the future as they prove themselves to be reliable and secure.

FORMS FS-4 and FS-1: Field Requirements (Electronic)

1. Transaction ID: Hard code '003395'

2. Operation Code: Hard code 'I'

3. Documentation Type Code: Hard code '01' for FS-1
Hard code '02' for FS-4

4. Vehicle Identification Number (VIN):   For both personal and business operating a single vehicle: Enter vehicle identification number obtained from vehicle registration card or from dashboard of vehicle.

5. Insurance Company Code: Enter code assigned at the time company is licensed in state.

6. Policy Number: Enter policy number.

7. Termination Date: Form FS-4: Enter date policy was terminated (mmddyyyy).
Form FS-1: Leave blank.

8. Effective Date: Form FS-4: Enter date policy went into effect (mmddyyyy).
Form FS-1: Enter date policy was renewed (mmddyyyy).

9. Preparation Date: Enter today's date or when form was prepared (mmddyyyy).

10. Vehicle Make: Enter first 4 letters of vehicle make (Ex. "Chev", "Buic")

11. Vehicle Year: Enter 4 digit year of manufacture (yyyy)

12. Drivers License Number (optional):   Personal: Enter drivers license of registered owner of vehicle.
Business: Enter customer ID assigned to business at time of
N.C. registration.

13. Date of Birth (optional):   Personal: Enter date of birth of registered owner of vehicle.
Business: Leave blank.

14. Registered Owner (optional):   Personal: Enter first, middle, and last name along with any
suffix in the appropriate fields.
Business: Enter name of business.

15. Address 1 and Address 2 (optional):   Enter for registered owner of vehicle.

16. City, State, Zip (optional):   Enter for registered owner of vehicle.

FORMS FS-4 and FS-1: Record Layout

Record Layout for Submission of FS-4 and FS-1 Data by Electronic Media

NCDOT SYSTEM:	Liability Insurance Tracking and Enforcement System (LITES)
BLOCKSIZE:	27,740
RECORD LENGTH:	380 Bytes

Field Name	Position Start	Position End	Type	Notes
Transaction ID	1	6	X (6): (constant)	'003395'
Operation Code	7	7	X (1): (constant)	'I'
Documentation Type Code	8	9	X (2): '01' or '02'	FS-1: '01' FS-4: '02'
Vehicle Identification Number	10	34	X (25)	Obtained from vehicle registration card or from the dashboard of the vehicle
Insurance Company Code	35	37	X (3)	N. C. code assigned to company by the state
Policy Number	38	67	X (30)	Policy number of insured
Termination Date	68	75	X (8): (mmddyyyy)	FS-4: Policy termination date FS-1: Blank
Effective Date	76	83	X (8): (mmddyyyy)	FS-4: Policy effective date FS-1: Policy reinstatement/renewal date
Preparation Date	84	91	X (8): (mmddyyyy)	Today's date or date form prepared
Vehicle Make	92	95	X (4)	First 4 letters of vehicle make (ex. 'Chev', 'Buic')
Vehicle Year	96	99	X (4): (yyyy)	Year of Manufacture
Drivers License Number (if available)	100	111	X (12)	**Personal**: Driver license number of the registered owner of the vehicle **Business**: N. C. number assigned to business at time of vehicle registration – obtained from vehicle registration card
Date of Birth (if available)	112	119	X (8): (mmddyyyy)	**Personal**: DOB of insured **Business**: Blank
Registered Owner's	120	139	X (20)	**Personal**

First Name				
Registered Owner's Middle Name	140	159	X (20)	**Personal**
Registered Owner's Last name	160	184	X (25)	**Personal**
Registered Owner's Suffix	185	187	X (3)	**Personal**
Registered Owner's Name	188	259	X (72)	**Business**
Address – 1	260	284	X (25)	Personal or business
Address – 2	285	309	X (25)	Personal or business
City	310	331	X (22)	Personal or business
State	332	333	X (2)	Personal or business
Zip Code	334	342	X (9)	Personal or business (can be 5 or 9 digit zip code)
Filler	343	380	X (38)	Reserved for DMV use

NOTICE OF TERMINATION OF LIABILITY INSURANCE

FS-4

YEAR	MAKE	VEHICLE IDENTIFICATION NUMBER

INSURANCE COMPANY NAME   COMPANY CODE

POLICY NUMBER

MM   DD   YYYY

REGISTERED OWNER NAME   TERMINATION DATE

MM   DD   YYYY   MM   DD   YYYY

DRIVERS LICENSE   DATE OF BIRTH   EFFECTIVE DATE

MM   DD   YYYY

STREET ADDRESS   PREPARATION DATE

TOWN OR CITY   STATE   ZIP CODE

_____
AUTHORIZED SIGNATURE

NORTH CAROLINA CERTIFICATE OF LIABILITY INSURANCE

FS-1

YEAR	MAKE	VEHICLE IDENTIFICATION NUMBER

INSURANCE COMPANY NAME   COMPANY CODE

POLICY NUMBER

MM   DD   YYYY

REGISTERED OWNER NAME   EFFECTIVE DATE

MM   DD   YYYY   MM   DD   YYYY

DRIVERS LICENSE   DATE OF BIRTH   PREPARATION DATE

STREET ADDRESS

TOWN OR CITY   STATE   ZIP CODE

_____
AUTHORIZED SIGNATURE