

November 26, 1956

SUBJECT: INSURANCE

TO ALL LICENSED EXCESS LINE BROKERS

The Chief Counsel of the Department has rendered an opinion that a licensed excess line broker, in connection with the negotiation, procurement or delivery of a contract of insurance procured from an unauthorized insurer pursuant to Section 122 of the Insurance Law, must comply with, the provisions of Section 129 as a condition precedent to the collection from an insured of any charges for expenses, the tax imposed on the excess line broker by Section 122, or any other purpose, which are in addition to the premium fixed by the insurer.

It is, therefore, required that an excess line broker in order to collect any such charges from an insured, shall secure, in advance of payment, a written memorandum, signed by the party to be charged, and clearly specifying the charges and the amounts thereof, in accordance with Section 129.

You are requested to acknowledge receipt of this letter.

Very truly yours,

(Signed) LEFFERT HOLZ

Superintendent of Insurance