

July 24, 1981

SUBJECT: INSURANCE

WITHDRAWN

CIRCULAR LETTER NO. 14 (1981)
JULY 24, 1981

TO: ALL EXCESS LINE BROKERS

SUBJECT: PLACEMENT OF GROUP CASUALTY AND GROUP PROPERTY INSURANCE POLICIES WITH UNAUTHORIZED INSURERS.

It has come to the attention of this Department that excess line brokers have placed group casualty business with unlicensed companies since such coverage is not available in the New York market. Excess line brokers are only authorized, pursuant to Section 123 of the Insurance Law, to place business which is authorized to be written pursuant to the Insurance Law.

All excess line brokers are advised that the Insurance Law does not provide for property and casualty insurance to be written on a group basis in New York. Accordingly, since such coverage may only be written on an individual policy basis in New York, excess line brokers may not henceforth place any group casualty or group property insurance policies through the excess line market.

The Department will expect that all group casualty or group property insurance policies written through excess line brokers now in effect will not be renewed on anniversary date nor shall new participating certificates be issued thereunder.

Please acknowledge receipt of this Circular Letter within 30 days of receipt to:

Mr. Henry Lauer, Chief Examiner

Property and Casualty Insurance Bureau

New York State Insurance Department

2 World Trade Center

New York, NY 10047

Very truly yours,

[SIGNATURE]

ALBERT B. LEWIS

Superintendent of Insurance