

February 9, 1989

SUBJECT: INSURANCE

Circular Letter No. 2 (1989)
February 9, 1989

TO: ALL NEW YORK LICENSED INSURANCE AGENTS AND BROKERS

RE: PLACEMENTS WITH RISK RETENTION GROUPS NOT CHARTERED IN NEW YORK

Article 59 of the Insurance Law became effective December 10, 1988. Section 5904(c) of that Article requires that licensed insurance agents, insurance brokers and excess line brokers report to the Superintendent of Insurance of the State of New York the premiums of direct business for risks resident or located within this State which they have placed with risk retention groups not chartered in New York.

In order to comply with the requirements of Section 5904(c) and to avoid duplicate reporting, the producer of record on any placement(s) with a risk retention group not chartered in this State is required to file the STATEMENT OF BUSINESS PLACED WITH RISK RETENTION GROUPS NOT CHARTERED IN NEW YORK, appended herewith, in the manner prescribed and on the date specified. Please note that if there is no business to report, the information report need not be filed. Any questions relative to this requirement should be directed to Michael J. Moriarty, Associate Insurance Examiner, Tel. No. (212) 602-0264.

Very truly yours,

[SIGNATURE]

JAMES P. CORCORAN

Superintendent of Insurance

ATTACHMENT

STATEMENT OF BUSINESS PLACED WITH RISK RETENTION GROUPS NOT CHARTERED IN NEW YORK

Calendar Year 19__

Section 5904(c) of New York Insurance Law

(Name of Licensee)

(Street and Number) (City) (State & Zip Code) (Telephone No.)

(Type of License) (Licensee #)

CERTIFICATION OF INDIVIDUAL LICENSEE OR ELECTED OFFICERS OF THE LICENSEE CORPORATION

I hereby certify that this report is, to the best of my knowledge and belief, a true, correct and complete report.

(Signature) (Title) (Telephone No.) (Date)

GENERAL INSTRUCTIONS

(1) File this information report, in duplicate, on or before March 15, 1989 with the Department of Insurance, State of New York, Agency Building One, Empire State Plaza, Albany, New York 12257.

(2) All premiums for New York risks placed with a risk retention group not chartered in New York must be reported on a WRITTEN BASIS and not on a cash basis. If a policy is written for a term exceeding one year, the premium for the full term (i.e. two, three or more years) must be reported in the year the policy is written.

(3) In order to avoid duplicate reporting, only the broker of record (not any sub-broker) is responsible for reporting a placement with a risk retention group.

(4) If extra space is necessary, copy the attached page (which should be denoted as Page 2) and number the additional pages consecutively.

([ILLEGIBLE WORDS])When there is no business to report, this information report need not be filed.

* NOTE: For calendar year 1988, business written on or subsequent to December 10, 1988 (the effective date of New York's risk retention legislation) should be denoted with an asterisk (*).

STATEMENT OF BUSINESS PLACED WITH RISK RETENTION GROUPS NOT CHARTERED IN NEW YORK

Calender Year 19__

(Licensee)

(License #)

