



**STATE OF NEW YORK  
INSURANCE DEPARTMENT**  
25 BEAVER STREET  
NEW YORK, NEW YORK 10004

**Circular Letter No. 28 (1999)  
September 13, 1999**

**TO: ALL LICENSED INSURANCE BROKERS; EXCESS LINE BROKERS; EXCESS LINE ASSOCIATION OF NEW YORK; AND  
INSURANCE PRODUCER ORGANIZATIONS**

**RE: OCEAN MARINE INSURANCE PLACEMENTS**

The purpose of this circular letter is to clarify the Department's position on certain requirements regarding the placement of ocean marine insurance business, which contains exposures that are ocean marine insurance and any other kind of insurance. It is the position of this Department that the part of the exposure that is any other kind of insurance other than ocean marine insurance, if placed with an unauthorized insurer, should only be placed through an excess line broker licensed pursuant to Sections 2105 and 2118 of the New York Insurance Law. Such business is also subject to the requirements of Sections 2118 and 2130 of the Insurance Law and the provisions of Regulation 41.

It is the broker's responsibility to allocate the risk between ocean marine insurance and any other kind of insurance. The part of the risk that is other than ocean marine insurance, when placed with an unauthorized insurer, is subject to the payment of excess line premium tax, the filing of affidavits and the stamping of the policies by the Excess Line Association of New York as well as all other applicable regulatory requirements of the Department.

Please acknowledge receipt of this Circular Letter to:

Mr. Jack Stein, Senior Insurance Examiner  
New York State Insurance Department, Excess Line Unit  
25 Beaver Street, 2<sup>nd</sup> floor  
New York, New York 10004

Very truly yours,

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Mark Presser  
Assistant Deputy Superintendent  
and Chief Examiner  
Property Bureau