



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

**Circular Letter No. 13 (2001)
May 10, 2001**

TO: All Insurers and Corporations Subject to Examination by the New York State Insurance Department

RE: Examination Report Protocol

STATUTORY REFERENCES: Sections 310 and 311 of the Insurance Law

In order to facilitate the examination process, the Department has instituted new procedures for the filing of examination reports. These procedures will allow the review process to be completed in a more timely manner while continuing to provide the examined entity with an opportunity to review and comment on the Department's findings prior to the final report being filed.

Draft Report on Examination

Upon completion of all field work, the Department will prepare a draft examination report. The Department will send the draft examination report to the company directing that written comments be provided to the Department within 15 business days of receipt of the report. The company's submission must include all comments, objections and suggestions regarding the report and shall be deemed final by the Department. If the company has no comments or chooses not to issue any comments, this must be communicated, in writing, to the Department within the required timeframe.

Closing Conference

The Department will schedule a closing conference to be held at the Insurance Department 30 days from the date the draft examination report is sent to the company to discuss the report findings and company comments. A formal agenda, based upon the company's written comments, will be prepared and sent to the company before the Closing Conference.

The Closing Conference will provide an opportunity to present and discuss requested changes to the examination report as well as any other issues raised by the company in its written comments and to ensure the factual accuracy of the examination report. The Closing Conference attendees from the company should include knowledgeable senior officers able to competently discuss and with authority to render decisions with regard to the issues noted in the draft examination report.

Final Report on Examination

The final Report on Examination will be sent to company officials within one calendar month from the Closing Conference with any stipulated changes. The cover letter for the final report shall also serve as notification to the company of the Superintendent's intent to file the report for public inspection as provided for in Section 311 of the New York Insurance Law, unless the company requests a hearing on the report within 10 days, pursuant to Section 311(b).

If the company accepts the report, it may submit written comments thereon, which will be included in the Department's files.

Where a hearing is requested, the company shall identify in its request the specific facts, conclusions or

recommendations of the report it wishes to contest at the hearing.

The final report shall be filed and posted on the web site if accepted by the company, or a hearing held if unacceptable to the company.

It should be noted that all examination correspondence, noted above, shall be sent by Federal Express, overnight delivery or similar service.

Questions concerning this Circular Letter should be directed to the appropriate bureau.

Very truly yours,

Gregory V. Serio
Superintendent of Insurance