



**STATE OF NEW YORK
INSURANCE DEPARTMENT**
ONE COMMERCE PLAZA
ALBANY, NEW YORK 12257

Eliot Spitzer
Governor

Eric R. Dinallo
Superintendent

Circular Letter No. 10 (2007)
May 10, 2007

TO: TO ALL PROPERTY/CASUALTY INSURANCE COMPANIES; CO-OPERATIVE FIRE INSURANCE COMPANIES; LLOYDS UNDERWRITERS AND RECIPROCAL INSURERS; FINANCIAL GUARANTY INSURANCE CORPORATIONS; AND THE MEDICAL MALPRACTICE INSURANCE PLAN

RE: PROPERTY/CASUALTY INSURANCE SECURITY FUND

Please be advised that calculations made in accordance with the requirements of Sections 7603 and 7606 of the New York Insurance Law indicate that the net value of the Property/Casualty Insurance Security Fund ("the Fund") as of December 31, 2006 was greater than \$150 million.

Also in accordance with Insurance Law Section 7603, the Superintendent has determined that payments made from the Fund have reduced the net value to an amount that shall cause contributions to be resumed until the end of the fund year.

The first quarterly filing will be due on June 15, 2007; the second, third, and fourth quarter filings will be due on August 15, 2007, November 15, 2007 and February 15, 2008, respectively. The required report forms, additional information and instructions will follow, both in hard copy and at posts on the Department's website.

During the fund year ending December 31, 2006, payments were made from the Fund for various kinds of insurance as defined in Insurance Law Section 1113. Accordingly, contributions to the Fund shall be continued on the basis of "net direct written premiums" on policies insuring property or risks located or resident in this state for each Line of Business as listed on page 14 of the New York Supplement to the NAIC Annual Statement.

"Net direct written premiums" are equal to column 1 minus column 3 on Page 14 of the New York Supplement. The premiums and dividends in columns 1 and 3, respectively, shall be adjusted to account for premiums subject to contributions to the Public Motor Vehicle Liability Security Fund.

Fund contributions shall be made on a quarterly basis by multiplying the factor listed by the 2007 quarterly net direct written premium to which it applies. Applicable factors are included in the table that follows:

	<u>Annual Statement Line</u>	<u>Applicable Factor</u>
1.	Fire	.0001
2.1	Allied lines	.0001
2.2	Multiple peril crop	.0000
2.3	Federal flood	.0001
3.	Farmowners multiple peril	.0004
4.	Homeowners multiple peril	.0006

5.1	Commercial multiple peril (non liability portion)	.0001
5.2	Commercial multiple peril (liability portion)	.0031
6.	Mortgage Guaranty	0000
8.	Ocean marine	.0001
9.	Inland marine	.0000
10.	Financial guaranty	.0000
11.	Medical malpractice	.0031
12.	Earthquake	.0001
13.	Accident & Health	.0000
16.	Workers' Compensation	0000
17.	Other liability	.0031
18.	Product liability	.0031
19.1	Private passenger auto no-fault (PIP)	.0031
19.2	Other private passenger auto liability	.0031
19.3	Commercial auto no-fault (PIP)	.0031
19.4	Other commercial auto liability	.0031
21.1	Private passenger auto physical damage	.0000
21.2	Commercial auto physical damage	.0000
22.	Aircraft (all perils)	.0019
23.	Fidelity	.0003
24.	Surety	.0003
26.	Burglary and theft	.0001
27.	Boiler and machinery	.0000
28.	Credit	0000
31.	Aggregate Write-Ins	0000

Pursuant to regulations of the Federal Crop Insurance Corporation (7 CFR Part 400, subpart L), Multiple Peril Crop Insurance premiums on policies reinsured by the Federal Crop Insurance Corporation under its Standard Reinsurance Agreement continue to be exempt from contribution.

Please acknowledge receipt of this Circular Letter, and refer any questions relating to its contents, to:

Mark E. Daigneault
 Director of Taxes and Accounts
 New York State Insurance Department
 One Commerce Plaza
 Albany, NY 12257

Sincerely,

Christopher F. Rulon
 Director of Administration
 and Operations