

**NEW YORK STATE
INSURANCE DEPARTMENT**

TENTH AMENDMENT TO REGULATION 107

(11 NYCRR 71)

LEGAL DEFENSE COSTS IN LIABILITY POLICIES

I, Gregory V. Serio, Superintendent of Insurance of the State of New York, pursuant to the authority granted by Sections 201, 301, 1113(a)(13) and (14), 3436, 5504, and Articles 23, 31, 34 and 55 of the Insurance Law, do hereby promulgate the following Tenth Amendment to 11 NYCRR 71 (Regulation 107), to take effect upon publication in the State Register, to read as follows:

(New Matter is Underlined; Matter in Brackets is Deleted)

Subdivision (d) of Section 71.3 is amended as follows:

(d) A legal defense cost offset provision as specified in subdivision (a) or (b) of this section may be included in a liability policy only for the following types of risks or coverages, and only where the per occurrence liability limits for all liability risks and coverages under the policy are at least:

(1) \$100,000:

(i) employee benefit liability;

(ii) fiduciary liability; and

(iii) employment practices liability.

(2) \$500,000:

(i) environmental impairment and pollution liability;

(ii) directors and officers liability;

(iii) [employee benefit liability;

(iv) fiduciary liability;

(v)] media, publishing and advertising liability;

[(vi)] (iv) architects and engineers;

[(vii)] employment practices liability;

(viii)] (v) errors and omissions liability; and

[(ix)] (vi) professional liability, other than medical malpractice liability.

[(2)] (3) \$1 million: hospital medical malpractice liability, for renewals only, if the expiring policy contained approved legal defense cost offset provisions.

I, Gregory V. Serio, Superintendent of Insurance of the State of New York, do hereby certify that the foregoing is the Tenth Amendment to 11 NYCRR 71 (Regulation 107), promulgated by me on March 20, 2002, pursuant to the authority granted by Sections 201, 301, 1113(a)(13) and (14), 3436, 5504 and Articles 23, 31, 34 and 55 of the Insurance Law, to take effect upon publication in the State Register.

Pursuant to the provisions of the State Administrative Procedure Act, prior notice of the proposed amendment was published in the State Register on December 26, 2001. No other publication or prior notice is required by statute.

Gregory V. Serio
Superintendent of Insurance

March 20, 2002