

**NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES
SIXTH AMENDMENT TO 11 NYCRR 16
(INSURANCE REGULATION 86)**

SPECIAL RISK INSURANCE

I, Benjamin M. Lawskey, Superintendent of Financial Services, pursuant to the authority granted by Sections 202 and 302 of the Financial Services Law, and Sections 301, 307 and 308 and Article 63 of the Insurance Law, do hereby promulgate the following Sixth Amendment to Part 16 of Title 11 of the Official Compilation of Codes, Rules, and Regulations of the State of New York (Insurance Regulation 86) to take effect upon publication in the State Register, to read as follows:

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

Section 16.4 is amended to read as follows:

Section 16.4 Policy forms[, certificate of insurance] and other standards.

(a) Every binder, policy, contract, rider and endorsement issued pursuant to section 6301 of the Insurance Law on special risks located or resident in New York State shall comply with minimum standard policy provisions of the Insurance Law and this Title.

(b) For a coverage coded as a class 3 risk pursuant to Section 16.12 of this Part, the insurer shall electronically file with the superintendent[, in a form and manner acceptable to the superintendent]:

(1) Within one business day of binding the insurance coverage, a certificate of insurance evidencing the existence and terms of the policy;

(2) Within 30 days from the inception date of the policy:

(i) the certificate of insurance specified in Section 16.4(b)(1) of this part; and

(ii) the following information:

(a) The identity of the insured and a statement that the insured meets the minimum commercial risk premium and financial condition standards for a “large commercial insured” pursuant to Section 6303(b) of the Insurance Law;

(b) Major type of insurance;

(c) Rate services organization classification (such as Insurance Service Organization classification), if applicable, or, if not applicable, a description of the class to be written;

(d) Risk manager name, employer and contact information, including mailing address, phone number and email address, and a statement that the insurer has verified that the risk manager who

assisted in the negotiation and purchase of the policy on behalf of the insured meets the qualifications required by section 6303(b)(2) of the Insurance Law; and

(e) The New York producer license number, if the risk manager is required to be a New York licensed producer; and

(3) with respect to] a policy form that has not been previously filed with the superintendent[, the policy form,]. The insurer shall file the policy form in a form and manner acceptable to the superintendent, within three business days after first delivery of a policy using the form, but no later than 60 calendar days after the inception date of the policy.

(c)(1) An insurer required to make a filing or a submission to the superintendent electronically pursuant to this Part may apply to the superintendent for an exemption from the electronic filing requirement by submitting a written request to the superintendent for approval at least 30 days in advance of making the filing or submission.

(2) The request for an exemption shall:

(i) Identify the time period for which the insurer is requesting the exemption, and

(ii) Specify whether the insurer is making the request for an exemption based upon undue hardship, impracticability, or good cause, and set forth a detailed explanation as to the reason that the superintendent should approve the request.

Section 16.8(e) is amended to read as follows:

(e) Where a policy includes coverage for both New York and non-New York exposures, the total premium for all exposures may be used for purposes of determining class 1 or class 3 eligibility pursuant to section [16.1(f)] 16.1(j) of this Part. However, a report filed with the superintendent showing special risk premiums and losses shall only include risks related to New York exposures unless the statement filing instructions specify otherwise.

Section 16.9(a)(2) is amended to read as follows:

(2) in which the insurer shall maintain or have electronic access to the underwriting files, experience statistics, financial and other records, applicable to business underwritten and transacted under section 6302 of the Insurance Law, subject to examination by the [Department of Financial Services] superintendent as often as the superintendent deems necessary.



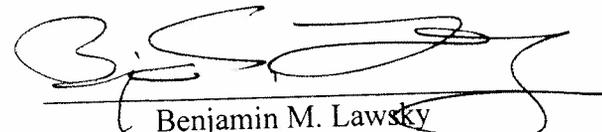
NEW YORK STATE
DEPARTMENT *of*
FINANCIAL SERVICES

Andrew M. Cuomo
Governor

Benjamin M. Lawsky
Superintendent

I, Benjamin M. Lawsky, Superintendent of Financial Services, do hereby certify that the foregoing is the Sixth Amendment to Part 16 of Title 11 of the Official Compilation of Codes, Rules and Regulations of the State of New York (Insurance Regulation 86), promulgated by me on March 14, 2014, pursuant to the authority granted by Sections 202 and 302 of the Financial Services Law, and Sections 301, 307 and 308 and Article 63 of the Insurance Law, to take effect upon publication in the State Register.

Pursuant to the provisions in the State Administrative Procedure Act, prior notice of the proposed regulation was published in the State Register on December 4, 2013. No other publication or prior notice is required by statute.


Benjamin M. Lawsky
Superintendent of Financial Services

Date: March 14, 2014