



**A
REPORT
(Pursuant to Section 3425(l)(2) of the Insurance Law)
TO
GOVERNOR CUOMO
AND
THE NEW YORK STATE LEGISLATURE
ON
SECTION 3425 OF THE INSURANCE LAW
IN RELATION TO
PRIVATE PASSENGER AUTOMOBILE
INSURANCE POLICIES**

MARCH 15, 2017

**New York State Department of Financial Services
Maria T. Vullo
Superintendent of Financial Services**



NEW YORK STATE
DEPARTMENT *of*
FINANCIAL SERVICES

Andrew M. Cuomo
Governor

Maria T. Vullo
Superintendent

March 15, 2017

Governor Andrew M. Cuomo
The Executive Chamber
State Capitol
Albany, NY 12224

In accordance with the requirements of Section 3425(l)(2) of the New York Insurance Law please find attached the Department of Financial Services' report on Section 3425 of the Insurance Law regarding private passenger automobile insurance policies.

Respectfully submitted,

Maria T. Vullo
Superintendent of Financial Services

cc: Hon. John J. Flanagan
Hon. Jeffrey D. Klein
Hon. Andrea Stewart-Cousins
Hon. James L. Seward
Hon. Carl E. Heastie
Hon. Brian M. Kolb
Hon. Kevin A. Cahill

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INTRODUCTION

Section 3425 of the New York Insurance Law sets forth the requirements regarding automobile insurers' decisions to non-renew or conditionally renew private passenger automobile insurance policies upon expiration of the required one-year policy period.

Specifically, Section 3425(f)(1) permits an insurer (with limited exceptions described below) to non-renew or conditionally renew up to a maximum of 2% of the total number of covered policies in force at the end of the previous year in each of an insurer's rating territories. This limitation is commonly referred to as the "2% Rule." Excluded from the 2% Rule are cancellations made within the first 60 days of a newly issued policy, and midterm terminations due to a limited number of reasons prescribed by statute, such as non-payment of premium, fraud in obtaining the policy or in presentation of a claim, and suspension or revocation of a driver's license. Also excluded from the 2% Rule are terminations made at the policyholder's request. In addition, the law permits insurers to annually non-renew one policy in a given rating territory where the number of its total policies in such territory is less than 50. The law also permits an insurer to non-renew policies at a rate greater than 2% under certain circumstances and subject to the Superintendent's approval.

Section 3425(f)(2) provides that an insurer may non-renew or conditionally renew one additional policy in each territory beyond the two percent limitation, for every two newly issued automobile insurance policies voluntarily written by that insurer in such territory. Section 3425(f)(2), which can be viewed as a companion rule of Section 3425(f)(1), is often referred to as the "2-for-1 Credit."

Section 3425(l)(2) requires the Superintendent to collect, analyze and compile reports submitted by insurers regarding the number of new insureds, nonrenewed insureds, and business written by each insurer in each of its rating territories, and to report the results of such analysis to the Legislature by March 15, 2017. In addition to the analysis, this Report briefly discusses recent developments affecting New York's automobile insurance market. Based on the analysis set forth in the Report, the Department recommends that the statute be extended.

The Department of Financial Services (the Department) last reported on this subject on March 15, 2014 for the three-year period ended December 31, 2012. Chapter 78 of the laws of 2014 extended the pertinent sections of the law to June 30, 2017. The data analyzed for this Report cover the three-year period ended December 31, 2015, during which time the 2% rule was continuously in effect.

LEGISLATIVE BACKGROUND OF SECTION 3425

Section 3425 has an extensive history. It was originally enacted in 1969 as Section 167-a to establish minimum policy standards limiting insurers' right to terminate private passenger automobile coverage, while preserving the necessary freedom to underwrite responsibly. As time passed and circumstances changed, Section 3425 evolved both in response to current market conditions and in a manner consistent with the law's original goals.

REPORT METHODOLOGY

Collection of Data

In order to obtain the information for this Report, the Department, pursuant to Section 3425(l) of the Insurance Law, required all insurers with voluntary private passenger automobile insurance policies in force in New York from 2013 through 2015 to submit specific underwriting data for the respective calendar years.

The required report formats and instructions are posted on the Department's web site for access and downloading by all insurers. All reports were required to be completed in a standardized electronic format.

Driver Classifications and Territorial Designations Utilized

Automobile insurance companies price the policies they sell to individuals by means of driver classification systems that, when actuarially and statistically supported and properly applied, help predict future losses and prevent unfair discrimination.

Classification systems may differ among insurance companies. Some use simple systems that include a few separate classes, while others employ more complex systems utilizing many classes and variables. However, the basic principal driver classifications common to virtually all insurers are: Adult; Senior Citizen; Youthful Male; and Youthful Female (all of which are further differentiated by "Business" or "Pleasure" use). For the purpose of evaluating the operation of Section 3425, the Department uses data reported by insurers for the first four classes, since they are most relevant to the objective of the statute, which is protection of personal automobile insurance policyholders.

The geographical garaging location of the vehicle insured determines the rating territory used in calculating the policy premium. Territory definitions vary among insurers. Since the 2% Rule functions on a territorial basis, for the purposes of this Report, it is essential that compliance data be reported in a uniform statewide-compatible format. Therefore, in completing their annual submissions of information required by Section 3425, insurers are

instructed to conform their respective territorial reports to those of Insurance Services Office, Inc. (ISO), a principal advisory rate service organization.

SCOPE OF ANALYSIS

The compiled data are presented in two parts in the Overall Findings section of this Report. Part I (Summary by Classes) summarizes the number of policies in force, the number of new policies written, and the number of nonrenewed policies, categorized by class of insureds, of the 30 largest auto insurers (by premium volume) in New York State for the years 2013 through 2015.

Based on the direct written premiums reported on the companies' filed annual statements, the top 30 insurers represented the following cumulative market share of all private passenger automobile insurance business written in New York State: 83.20% in 2013, 83.93% in 2014 and 84.53% in 2015. Because of the significant aggregate share of the overall insurance market represented by these companies, the summary data for this group represent a reliable measure of the effectiveness of the law.

Part II (Other Information and Findings) presents information on excess nonrenewals (i.e., the number of policies nonrenewed above the 2% limit), disciplinary actions, new business written, and consumer complaints for all insurers (including the top 30) writing private passenger automobile insurance in New York.

All of the data utilized in compiling this Report were provided by insurers writing private passenger automobile insurance in New York.

The excess nonrenewal data originally reported are subject to verification by the Property Bureau's Market Conduct Unit, and may result in disciplinary action for an insurer found in violation. The raw data submitted by companies include information on all activities regarding reduction of policies (policies written, cancelled, nonrenewed or conditionally renewed by company or terminated by insured's request), including any permitted exceptions to the 2% Rule. The Department analyzes this data to determine the number of policies nonrenewed or conditionally renewed in excess of that permitted.

The information reflected in this Report represents the most current data available at the time the Report was prepared.

ANALYSIS

I. SUMMARY BY CLASSES

The following tables summarize the voluntary market data of the 30 largest New York private passenger automobile insurers by various driver classifications:

Table 1
All Classes Combined

	2013	2014	2015
Policies In Force	5,391,923	5,426,424	5,520,912
Policies Nonrenewed	62,703	55,220	54,741
Percent Nonrenewed	1.16%	1.02%	0.99%

Comments:

Overall, the industry has consistently stayed within the 2% limitation. The effectiveness of the 2% Rule is reflected in the stable number of policies in force. While the number and percentage of policies in force increased from 2013 through 2015, the number and percentage of policies nonrenewed during the three-year period actually decreased.

Table 2
Senior Citizens

	2013	2014	2015
Senior Citizens Policies In Force	989,502	980,460	988,317
Senior Citizens Class as a % of all Policies	18.35%	18.07%	17.90%
Senior Citizens Policies Nonrenewed	10,342	6,453	6,581
% Senior Citizens Non-renewed of all Senior Citizens Policies In Force	1.05%	0.66%	0.67%
% Senior Citizens Non-renewed of all Policies Nonrenewed	16.49%	11.69%	12.02%
% Senior Citizens Non-renewed of all Policies In Force	0.19%	0.12%	0.12%

Comments:

During the three-year reporting period, senior citizens represented approximately 18.11% of policyholders. In averaging the three years, this class represented approximately 13.54% of all policyholders nonrenewed.

While an average of 1.06% of all classes combined were nonrenewed during the three-year period covered by this Report, an average of 0.79% of the senior citizens were nonrenewed. The relative nonrenewal rate of senior citizens appears to indicate that this class appears to be considered more desirable by many insurers relative to the overall market. Indeed, a senior citizen is less likely to be nonrenewed than the average policyholder.

Table 3
Youthful Males

	2013	2014	2015
Youthful Males Policies In Force	230,617	233,360	233,473
Youthful Males Class as a % of all Policies	4.28%	4.30%	4.23%
Youthful Males Policies Nonrenewed	3,090	3,307	3,100
% Youthful Males Non-renewed of all Youthful Males Policies In Force	1.34%	1.42%	1.33%
% Youthful Males Non-renewed of all Policies Nonrenewed	4.93%	5.99%	5.66%
% Youthful Males Non-renewed of all Policies In Force	0.06%	0.06%	0.06%

Comments:

Youthful males have had, historically, more difficulty finding and maintaining coverage in the voluntary market relative to all other age classes. Interestingly, during this three-year period, there was a moderate increase in the number of youthful male policies in force. The number of youthful male policies nonrenewed increased in 2014 but then receded in 2015.

Table 4
Youthful Females

	2013	2014	2015
Youthful Females Policies In Force	173,742	173,864	165,818
Youthful Females Class as a % of all Policies	3.22%	3.20%	3.00%
Youthful Females Policies Nonrenewed	1,940	2,260	1,929
% Youthful Females Non-renewed of all Youthful Females Policies In Force	1.12%	1.30%	1.16%
% Youthful Females Non-renewed of all Policies Nonrenewed	3.09%	4.09%	3.52%
% Youthful Females Non-renewed of all Policies In Force	0.04%	0.04%	0.03%

Comments:

As a percentage of all youthful female policies, nonrenewals for this class averaged approximately 1.19% in the three-year period covered by this Report. Of all policies nonrenewed, the average of youthful females nonrenewed relative to all policies nonrenewed was 3.55% during this three-year period. However, as a percentage of all policies in force, youthful females' rate of nonrenewals is well below the overall average. During this three-year period, there was a slight increase in the number of youthful female policies in 2014 and a decrease in the number of youthful female policies in force in 2015.

General Comments and Observations

Although nonrenewals in the youthful operator classes are well within the permissible statutory limit relative to the overall nonrenewal rate, youthful operators have a greater chance of being nonrenewed than the average policyholder, regardless of gender. Drivers in the youthful operator classes generally experience more difficulties in obtaining insurance as well. Whenever insurers become more selective in their underwriting practices, the most significantly affected are those classes that historically have been least attractive from an underwriter's perspective -- namely, youthful operators.

The data indicate decreases in policies in force over the period for both the senior citizens and youthful female classes. During this three-year period, the number of policies in force for senior citizens drivers decreased from 989,502 in 2013 to 988,317 in 2015 and youthful female drivers decreased from 173,742 in 2013 to 165,818 in 2015. Since data from the NYAIP do not indicate increases in assigned risk policies in force, the modest reduction is likely attributable to other factors, primarily of a demographic nature.

Notably, with respect to youthful operators, those that move back into or continue to reside in their parents' households are generally insured under their parents' policies, and do not need to purchase policies of their own. Additionally, youthful operators are in the segment of the population that is most comfortable with new technology and innovative concepts. The growth of technology and the sharing economy may make it possible for people to enjoy the benefits of driving without the burdens of car ownership and recurring costs (including direct insurance costs.) Senior citizens, too, may be driving less.

II. OTHER INFORMATION

The following information is based on reports filed by all insurers writing private passenger automobile insurance in New York.

A summary of excess nonrenewals by territory throughout the State may be found in Appendix I. Appendix II summarizes excess nonrenewals by companies and groups.

1. Market Conduct Examinations and Disciplinary Actions for Excess Nonrenewals

Insurers report the number of nonrenewals and policies in force annually. The Department monitors insurers' activities with respect to excess nonrenewals. Insurers found to be in violation of the 2% Rule in any given territory are subject to disciplinary action for each policy nonrenewed in excess of the insurer's permissible number in that territory. The Market Conduct Unit of the Department's Property Bureau investigates all such violations and, when appropriate, imposes penalties.

The Market Conduct Unit maintains a record of all 2% Rule violations that have been settled. Fines collected for Section 3425 violations by stipulation in the three-year period of 2013-2015 totaled \$536,300.

(It should be noted that this Report reflects excess nonrenewals *reported* during the three-year period and fines *paid* during that period. A stipulation acknowledging violations and agreeing to a fine may cover several years' activity and may not necessarily match violations occurring in the year the stipulation was signed.)

2. Excess Nonrenewals

By Territory

An analysis of excess nonrenewals by territory for the three-year period of 2013 to 2015 indicates that the ten territories with the largest number of excess nonrenewals (out of 70 territories in total) account for 83.23% of all excess nonrenewals. The top 10 territories with excess nonrenewals are in metropolitan or suburban areas.

Detailed information on excess nonrenewals by territory is presented in Appendix I.

By Company/Groups

During the three-year period covered by this Report, a total of 1,426 policies were nonrenewed in excess of the 2% limitation. The Department continues to monitor and investigate insurers' compliance with the 2% Rule.

Detailed information on excess nonrenewals by company/group is presented in Appendix II.

3. New Business Writings

Private passenger automobile insurers reported new business writings of 1,468,829 policies in 2013, 1,507,569 policies in 2014, and 1,525,459 policies in 2015.

Private passenger car registrations, as reported by the Department of Motor Vehicles, totaled 9,185,181 in 2013, 9,254,894 in 2014, and 9,379,555 in 2015, which indicates a stable trend in overall registrations. Similarly, those holding driver licenses in New York increased from 10,282,641 in 2013 to 10,988,219 in 2014, and increased again in 2015 to 11,225,468. We view the foregoing as indicative of a stable market.

4. Consumer Complaints

During the three-year reporting period, a total of 11,538 (4,257 for 2013, 3,916 for 2014 and 3,365 for 2015) consumer complaints regarding private passenger automobile insurance were processed by the Department's Consumer Assistance Unit. Of such complaints, 1,190 of the 11,538 (381 in 2013, 463 in 2014 and 346 in 2015), involved cancellations and nonrenewals of private passenger automobile insurance policies. A total of 101 of those complaints (38 in 2013, 33 in 2014 and 30 in 2015) were upheld.

	Received	Cancelled / Nonrenewed	Upheld
2013	4,257	381	38
2014	3,916	463	33
2015	3,365	346	30
TOTALS	11,538	1,190	101

5. Use of Multi-Tier Rating Programs

Chapter 9 of the Laws of 1995 added Section 2349 to the Insurance Law, effective May 28, 1995, to permit multi-tier rating programs.

Under a multi-tier rating program, an insurer may place insureds into different rate levels based on specific factors of risk exposure or driving history. Among the Legislature's objectives in enacting the multi-tier law was the depopulation of the NYAIP (the assigned risk plan). The ability to more closely match risk exposure to an appropriate rate helps more drivers to locate insurers willing to accept them in the voluntary market, provided the rates are not unfairly discriminatory. Evidence indicates that the law has been successful, since the share of the market attributable to the NYAIP is now less than 1%, as compared with 17% in 1993.

Multi-tier programs should have the effect of making insureds who might otherwise not qualify for coverage under insurers' standard underwriting guidelines more attractive when placed in a rating tier that is more appropriate to the driver's risk profile. It was anticipated that this measure would not only increase voluntary writings, but would also reduce nonrenewals as well. Based on the significant depopulation of the assigned risk plan over the last two decades, it appears that the multi-tier statute has thus far accomplished the Legislature's objective.

Pursuant to Section 2349, insurers may move up to 3% of insureds in each rating territory to higher-rated tiers upon annual policy renewal. The 3% Rule applies in addition to Section 3425's 2% Rule. There is no limitation on moving insureds to lower-rated tiers.

CONCLUSION

Section 3425 is intended to establish an equitable balance among the often competing forces of policyholders' expectations, insurers' legitimate prerogatives in evaluating and assuming risk, and the realities of New York's private passenger automobile insurance marketplace. It provides the foundation for a reliable and predictable automobile insurance market that promotes stability and protects consumers against arbitrary cancellations or nonrenewals of coverage.

A key element of Section 3425 is the 2% Rule, which provides sufficient flexibility to insurers to underwrite risks in a fair and prudent manner. It has encouraged insurers to venture into markets where they have previously had little experience, and to develop market strategies that should enhance the availability and affordability of voluntary personal automobile insurance in New York. The rule is also an essential component in limiting the number of policies issued via the New York Automobile Insurance Plan (NYAIP), the assigned risk mechanism for insuring persons who cannot otherwise secure automobile insurance. The data in this Report indicate a decrease in the number and percentage of policies nonrenewed, demonstrating that, in the aggregate, the industry still remains well within the 2% Rule limitation. The NYAIP population has continued to decline during the period reviewed.

Pursuant to Section 3425, if the 2% Rule is not in effect, policies would become subject to a three-year required policy period and may not be nonrenewed except for limited circumstances. Reversion to the three-year rule may discourage voluntary insurers from writing new business. This was evidenced during a 23-month period (August 2, 2001 - June 26, 2003; addressed in prior reports), when the law expired and the 2% Rule was not in effect. While the number of vehicles registered in the State at that time remained stable, the number of voluntary policies in force decreased during the period in which the 2% Rule was not in effect. Thus, it appears that the suspension of the 2% Rule had a negative effect on the voluntary market, by fostering uncertainty in the marketplace and by reducing some flexibility insurers had in underwriting their books of business. In contrast, after the 2% Rule was reinstated, increases were observed in the number of voluntary policies in force. This Report covers the three-year period of 2013-2015, and continues to confirm the benefits of the 2% Rule.

The 2% Rule, combined with the "2-for-1" credit, has a beneficial effect on the voluntary private passenger automobile insurance marketplace. These provisions provide stability and stimulate growth of the voluntary market, thereby broadening availability of vital automobile insurance coverage. They allow insurers substantial flexibility and incentive to accept new risks and discontinue only their most undesirable business, as long as they maintain an active presence in the private passenger automobile market.

Based upon the data analyzed for this Report, industry-wide violations of the 2% Rule, both overall as well as by individual driver classes studied, have not been substantial. When violations are found, the Department of Financial Services actively pursues and applies disciplinary measures to enforce the law and ensure future compliance with the rule.

The 2% Rule is set to expire on June 30, 2017. Considering the effectiveness of the law over the course of several decades, we recommend that it be extended or made permanent in order to promote continued stability and competition in the private passenger automobile insurance marketplace.

Appendix I

Summary of Excess Nonrenewals by Territory – 2013 - 2015

APPENDIX I

SUMMARY OF EXCESS NONRENEWALS BY TERRITORY
2013 - 2015

Territory Description	Ter #	2013	2014	2015	Total	%	Rank
BRONX	01	11	814	7	832	29.19%	1
QUEENS SUB.	55	23	525	4	552	19.37%	2
KINGS CO.	17	4	229	1	234	8.21%	3
SUFFOLK CO. WEST	75	16	192	20	228	8.00%	4
SUFFOLK CO. EAST	76	17	102	17	136	4.77%	5
HEMPSTEAD	20	11	122	2	135	4.74%	6
BRONX SUB.	03	0	84	0	84	2.95%	7
NORTH HEMPSTEAD	21	39	34	0	73	2.56%	8
STATEN ISLAND	05	14	33	9	56	1.96%	9
SYRACUSE	12	25	17	0	42	1.47%	10
MANHATTAN	18	4	36	2	42	1.47%	10
OYSTER BAY	22	9	26	1	36	1.26%	12
ROCHESTER	11	9	11	11	31	1.09%	13
NIAGARA CO. (BAL)	49	0	2	28	30	1.05%	14
CLINTON CO., ETC.	67	8	3	15	26	0.91%	15
MIDDLETOWN	64	9	10	6	25	0.88%	16
NEW YORK CITY SUB.	97	15	3	3	21	0.74%	17
MT. VERNON & YONKERS	94	7	11	2	20	0.70%	18
BUFFALO	07	8	6	5	19	0.67%	19
QUEENS	19	3	16	0	19	0.67%	19
ROME	24	2	0	12	14	0.49%	21
BUFFALO SEMI-SUB.	08	4	6	2	12	0.42%	22
SCHENECTADY CO.	09	6	4	2	12	0.42%	22
HIGHLAND, KINGSTON	62	4	5	1	10	0.35%	24
OSSINING	65	0	7	3	10	0.35%	24
POUGHKEEPSIE	33	4	3	2	9	0.32%	26
ALLEGHENY CO., ETC.	84	4	1	4	9	0.32%	26
DELAWARE CO., ETC.	61	0	4	4	8	0.28%	28
ALBANY	13	5	1	1	7	0.25%	29
CORTLAND CO., ETC.	54	1	0	6	7	0.25%	29
TROY	34	4	2	0	6	0.21%	31
NIAGARA FALLS SUB.	43	0	2	4	6	0.21%	31
NIAGARA FALLS	14	2	0	3	5	0.18%	33
CHAUTAUQUA CO.	31	5	0	0	5	0.18%	33
AMSTERDAM	35	4	1	0	5	0.18%	33
PUTNAM CO.	46	4	1	0	5	0.18%	33

APPENDIX I

SUMMARY OF EXCESS NONRENEWALS BY TERRITORY
2013 - 2015

Territory Description	Ter #	2013	2014	2015	Total	%	Rank
ONTARIO CO., ETC.	51	0	3	2	5	0.18%	33
COLUMBIA CO., ETC.	59	1	2	2	5	0.18%	33
JEFFERSON CO.	74	1	3	1	5	0.18%	33
SARATOGA SPRINGS SUB.	16	0	2	2	4	0.14%	40
NEWBURGH	32	3	1	0	4	0.14%	40
MONROE CO. (BAL)	48	2	0	2	4	0.14%	40
ROCKLAND CO.	68	1	3	0	4	0.14%	40
SARATOGA CO. SOUTH	71	1	0	3	4	0.14%	40
ONEIDA	86	1	3	0	4	0.14%	40
UTICA	15	0	0	3	3	0.11%	46
BINGHAMTON	28	1	2	0	3	0.11%	46
OSWEGO	37	2	1	0	3	0.11%	46
ERIE COUNTY (BAL)	41	1	2	0	3	0.11%	46
WHITE PLAINS	95	0	3	0	3	0.11%	46
AUBURN	25	0	1	1	2	0.07%	51
SARATOGA SPRINGS	30	1	0	1	2	0.07%	51
GLENS FALLS	36	0	1	1	2	0.07%	51
BROOME CO. (BAL)	44	1	0	1	2	0.07%	51
DUTCHESS CO. (BAL)	58	1	1	0	2	0.07%	51
GENESEE CO.	60	0	0	2	2	0.07%	51
ALBANY CO. (BAL)	72	1	0	1	2	0.07%	51
RENSSELAER CO. (BAL)	73	1	0	1	2	0.07%	51
MONTICELLO-LIBERTY	81	1	1	0	2	0.07%	51
SULLIVAN CO. CENTRAL	82	2	0	0	2	0.07%	51
SULLIVAN CO. (BAL)	83	2	0	0	2	0.07%	51
SYRACUSE SUB.	38	0	0	1	1	0.04%	62
CORNING	40	1	0	0	1	0.04%	62
BUFFALO SUB.	42	0	1	0	1	0.04%	62
ELMIRA	27	0	0	0	0	0.00%	70
GLOVERSVILLE	29	0	0	0	0	0.00%	70
ROCHESTER SUB.	39	0	0	0	0	0.00%	70
ORLEANS CO.	47	0	0	0	0	0.00%	70
FORT PLAIN, HERKIMER	52	0	0	0	0	0.00%	70
SARATOGA CO. (BAL)	56	0	0	0	0	0.00%	70
STATE TOTALS		306	2,343	201	2,850	100.00%	

These numbers include 1,424 policies that are in excess of the 2% threshold but are not considered violations, as follows: in 2013, 6 policies were nonrenewed in accordance with an approved plan, in 2014, 1,351 policies were nonrenewed by an insurer placed in rehabilitation by the Department. In 2015, 67 policies were nonrenewed pursuant to an approved plan.

Appendix II

Summary of Excess Nonrenewals by Company/Group 2013 - 2015

Appendix II
Summary of Excess Nonrenewals
by Company/Group: 2013 – 2015

<u>Company/Group</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>Total</u>	<u>%</u>	<u>Rank</u>
American Reliable Insurance Company*	0	748	3	751	52.66%	1
Global Ind. Group - Total	0	748	3	751	52.66%	
% of Total for the Year	0.00%	75.40%	2.24%			
GEICO Casualty Company	149	151	59	359	25.18%	2
United States Liability Insurance Company	0	2	0	2	0.14%	
Government Employees Insurance Company	28	0	0	28	1.96%	
National Liability & Fire Insurance Company	0	2	1	3	0.21%	
Berkshire Hathaway Group - Total	177	155	60	392	27.49%	
% of Total for the Year	59.00%	15.63%	44.78%			
Central Mutual Insurance Company	0	4	42	46	3.23%	3
Central Mutual Insurance Co. Group - Total	0	4	42	46	3.23%	
% of Total for the Year	0.00%	0.40%	31.34%			
Nationwide General Insurance Company	32	3	0	35	2.45%	3
Nationwide Property and Casualty Insurance Company	0	7	0	7	0.49%	
Nationwide Assurance Company	1	1	0	2	0.14%	
Nationwide Mutual Fire Insurance Company	1	1	0	2	0.14%	
Nationwide Group - Total	34	12	0	46	3.23%	
% of Total for the Year	11.33%	1.21%	0.00%			
Main Street America Assurance Company	23	13	0	36	2.52%	5
Old Dominion Insurance Company	2	1	0	3	0.21%	
NGM Insurance Company	2	0	0	2	0.14%	
Main Street America Group - Total	27	14	0	41	2.88%	
% of Total for the Year	9.00%	1.41%	0.00%			

Appendix II
Summary of Excess Nonrenewals
by Company/Group: 2013 – 2015

Erie Insurance Company of New York	10	21	5	36	2.52%	
Erie Insurance Group - Total	10	21	5	36	2.52%	6
% of Total for the Year	3.33%	2.12%	3.73%			
Truck Insurance Exchange	0	9	0	9	0.63%	
21st Century Centennial Insurance Company	9	0	0	9	0.63%	
21st Century Advantage Insurance Company	3	0	0	3	0.21%	
21st Century Preferred Insurance Company	1	0	0	1	0.07%	
21st Century North America Insurance Company	1	0	0	1	0.07%	
Farmers Insurance Group - Total	14	9	0	23	1.61%	7
% of Total for the Year	4.67%	0.91%	0.00%			
Safeco Insurance Company of Indiana	17	2	0	19	1.33%	
Liberty Mutual Group- Total	17	2	0	19	1.33%	8
% of Total for the Year	5.67%	0.20%	0.00%			
Hartford Casualty Insurance Company	0	0	15	15	1.05%	
Hartford Fire & Casualty Group - Total	0	0	15	15	1.05%	9
% of Total for the Year	0.00%	0.00%	11.19%			
Encompass Property and Casualty Company	3	1	0	4	0.28%	
Encompass Indemnity Company	0	4	0	4	0.28%	
Encompass Insurance Company of America	0	2	1	3	0.21%	
Allstate Insurance Group - Total	3	7	1	11	0.77%	10
% of Total for the Year	1.00%	0.71%	0.75%			

Appendix II
Summary of Excess Nonrenewals
by Company/Group: 2013 – 2015

Unitrin Advantage	0	3	0	3	0.21%	
Merastar Insurance Company	0	3	0	3	0.21%	
Unitrin Auto and Home	1	0	0	1	0.07%	
Response Worldwide Direct Auto Insurance Company	1	0	0	1	0.07%	
Unitrin Inc. Group - Total	2	6	0	8	0.56%	11
% of Total for the Year	0.67%	0.60%	0.00%			
Blue Ridge Indemnity Company	1	5	0	6	0.42%	
QBE Insurance Group - Total	1	5	0	6	0.42%	12
% of Total for the Year	0.33%	0.50%	0.00%			
AutoOne Insurance Company **	0	4	0	4	0.28%	
Maidstone Insurance Company	0	1	0	1	0.07%	
Interboro Group - Total	0	5	0	5	0.35%	13
% of Total for the Year	0.00%	0.50%	0.00%			
Kingstone Insurance Company	0	3	0	3	0.21%	
No Group Affiliation- Total	0	3	0	3	0.21%	14
% of Total for the Year	0.00%	0.30%	0.00%			
Dairyland Insurance Company	2	0	0	2	0.14%	
Middlesex Insurance Company	1	0	0	1	0.07%	
Sentry Insurance Group - Total	3	0	0	3	0.21%	14
% of Total for the Year	1.00%	0.00%	0.00%			
Utica Mutual Insurance Company	0	0	3	3	0.21%	
Utica National Insurance Group - Total	0	0	3	3	0.21%	14
% of Total for the Year	0.00%	0.00%	2.24%			

Appendix II
Summary of Excess Nonrenewals
by Company/Group: 2013 – 2015

Travelers Commercial Insurance Company	1	0	1	2	0.14%	
The Travelers Home & Marine Insurance Company	0	0	1	1	0.07%	
Travelers Group - Total	1	0	2	3	0.21%	14
% of Total for the Year	0.33%	0.00%	1.49%			
IDS Property Casualty	2	0	0	2	0.14%	
Ameriprise Financial Group - Total	2	0	0	2	0.14%	18
% of Total for the Year	0.67%	0.00%	0.00%			
Hanover Insurance Company	1	0	0	1	0.07%	
Massachusetts Bay Insurance Company	1	0	0	1	0.07%	
The Hanover Insurance Group - Total	2	0	0	2	0.14%	18
% of Total for the Year	0.67%	0.00%	0.00%			
Merchants Preferred Insurance Company	1	1	0	2	0.14%	
Merchants Mutual Group - Total	1	1	0	2	0.14%	18
% of Total for the Year	0.33%	0.10%	0.00%			
Tri-State Consumer Insurance Company	1	0	1	2	0.14%	
WBL Group- Total	1	0	1	2	0.14%	18
% of Total for the Year	0.33%	0.00%	0.75%			
Amica Mutual Insurance Company	0	0	1	1	0.07%	
Amica Mutual Group- Total	0	0	1	1	0.07%	22
% of Total for the Year	0.00%	0.00%	0.75%			

Appendix II
Summary of Excess Nonrenewals
by Company/Group: 2013 – 2015

Holyoke Mutual Insurance Company in Salem	1	0	0	1	0.07%	
Country Insurance & Financial Group- Total	1	0	0	1	0.07%	22
% of Total for the Year	0.33%	0.00%	0.00%			
Metropolitan Casualty Insurance Company	1	0	0	1	0.07%	
Metropolitan Group - Total	1	0	0	1	0.07%	22
% of Total for the Year	0.33%	0.00%	0.00%			
Atlantic States Insurance Company	1	0	0	1	0.07%	
Donegal Group - Total	1	0	0	1	0.07%	22
% of Total for the Year	0.33%	0.00%	0.00%			
Fireman's Fund Insurance Co.	1	0	0	1	0.07%	
Allianz Insurance Group - Total	1	0	0	1	0.07%	22
% of Total for the Year	0.33%	0.00%	0.00%			
A Central Insurance Company	0	0	1	1	0.07%	
Central Serv. Group - Total	0	0	1	1	0.07%	22
% of Total for the Year	0.00%	0.00%	0.75%			
Drivers Insurance Company	1			1	0.07%	
Hereford Holdings Group - Total	1	0	0	1	0.07%	22
% of Total for the Year	0.33%	0.00%	0.00%			

* American Reliable changed groups in 2015 from #19 to group #920

** AutoOne merged into Maidstone in 2015

Appendix III

Private Passenger Automobile Insurance Top 30 Market Share in New York State 2013-2015

APPENDIX III

PRIVATE PASSENGER AUTOMOBILE INSURANCE TOP 30 INSURERS BY MARKET SHARE IN NEW YORK STATE 2013 - 2015

	2013	Market Share
1	Geico Gen Ins Co	16.51%
2	State Farm Mut Auto Ins Co	11.05%
3	Allstate Ins Co	8.11%
4	Geico Ind Co	7.16%
5	Government Employees Ins Co	4.95%
6	Allstate Prop & Cas Ins Co	4.10%
7	Liberty Mut Fire Ins Co	3.92%
8	Travelers Home & Marine Ins Co	2.79%
9	Progressive Cas Ins Co	2.59%
10	Allstate Fire & Cas Ins Co	2.40%
11	New York Central Mut Fire Ins Co	2.30%
12	Progressive Specialty Ins Co	1.52%
13	State Farm Fire & Cas Co	1.40%
14	Progressive Advanced Ins Co	1.18%
15	Countrywide Ins Co	1.01%
16	LM Gen Ins Co	1.00%
17	New South Ins Co	0.94%
18	United Serv Automobile Assn	0.93%
19	Metropolitan Cas Ins Co	0.91%
20	Amica Mut Ins Co	0.88%
21	Nationwide Mut Ins Co	0.85%
22	Nationwide Affinity Co of Amer	0.85%
23	Nationwide Ins Co Of Amer	0.84%
24	Metropolitan Grp Prop & Cas Ins Co	0.81%
25	USAA Cas Ins Co	0.80%
26	Travelers Prop Cas Co Of Amer	0.77%
27	Adirondack Ins Exch	0.70%
28	Erie Ins Co	0.66%
29	American States Ins Co	0.65%
30	Kemper Independence Ins Co	0.59%
	TOTAL	83.20%

APPENDIX III

PRIVATE PASSENGER AUTOMOBILE INSURANCE TOP 30 INSURERS BY MARKET SHARE IN NEW YORK STATE 2013 - 2015

	2014	Market Share
1	Geico Gen Ins Co	16.81%
2	State Farm Mut Auto Ins Co	11.32%
3	Geico Ind Co	7.53%
4	Allstate Ins Co	7.23%
5	Government Employees Ins Co	4.86%
6	Allstate Fire & Cas Ins Co	3.71%
7	Progressive Cas Ins Co	3.30%
8	Liberty Mut Fire Ins Co	3.30%
9	Allstate Prop & Cas Ins Co	3.19%
10	Travelers Home & Marine Ins Co	2.49%
11	New York Central Mut Fire Ins Co	2.25%
12	LM Gen Ins Co	1.61%
13	Progressive Specialty Ins Co	1.60%
14	Progressive Advanced Ins Co	1.58%
15	State Farm Fire & Cas Co	1.43%
16	Countrywide Ins Co	1.04%
17	Nationwide Affinity Co of Amer	1%
18	United Serv Automobile Assn	0.95%
19	USAA Cas Ins Co	0.82%
20	Metropolitan Grp Prop & Cas Ins Co	0.80%
21	Amica Mut Ins Co	0.79%
22	American States Ins Co	0.78%
23	Nationwide Mut Ins Co	0.78%
24	Metropolitan Cas Ins Co	0.77%
25	Nationwide Ins Co Of Amer	0.75%
26	Progressive Max Ins Co	0.69%
27	Adirondack Ins Exch	0.69%
28	Erie Ins Co	0.65%
29	Travelers Prop Cas Co Of Amer	0.63%
30	New South Ins Co	0.58%
	TOTAL	83.93%

**PRIVATE PASSENGER AUTOMOBILE INSURANCE
TOP 30 INSURERS BY MARKET SHARE IN NEW YORK STATE
2013 - 2015**

	2015	Market Share
1	Geico Gen Ins Co	17.61%
2	State Farm Mut Auto Ins Co	11.61%
3	Geico Ind Co	7.88%
4	Allstate Ins Co	6.39%
5	Allstate Fire & Cas Ins Co	4.92%
6	Government Employees Ins Co	4.91%
7	Progressive Cas Ins Co	3.39%
8	Liberty Mut Fire Ins Co	2.75%
9	Allstate Prop & Cas Ins Co	2.51%
10	New York Central Mut Fire Ins Co	2.20%
11	LM Gen Ins Co	2.03%
12	Travelers Home & Marine Ins Co	1.85%
13	Progressive Advanced Ins Co	1.78%
14	Progressive Specialty Ins Co	1.64%
15	State Farm Fire & Cas Co	1.43%
16	Nationwide Affinity Co of Amer	1.11%
17	Travelers Personal Ins Co	0.97%
18	Countrywide Ins Co	0.96%
19	United Serv Automobile Assn	0.91%
20	USAA Cas Ins Co	0.82%
21	American States Ins Co	0.82%
22	Progressive Max Ins Co	0.80%
23	Metropolitan Grp Prop & Cas Ins Co	0.78%
24	Amica Mut Ins Co	0.71%
25	Nationwide Mut Ins Co	0.70%
26	Metropolitan Cas Ins Co	0.64%
27	Erie Ins Co	0.62%
28	USAA Gen Ind Co	0.61%
29	Nationwide Ins Co Of Amer	0.60%
30	Adirondack Ins Exch	0.57%
	TOTAL	84.53%