

December 1, 1976

SUBJECT: INSURANCE

WITHDRAWN

Circular Letter No. 18 (1976)

TO: ALL PROPERTY LIABILITY COMPANIES

RE: CANCELLATION OF POLICIES PURSUANT TO SECTION 167-a OF THE INSURANCE LAW

It has come to the attention of the Insurance Department that some insurers are interpreting Chapter 348 of the Laws of 1976 (which amended Section 167-a of the Insurance Law) to authorize cancellation or non-renewal, during the required policy period, of policies providing residential property coverages which do not fit within the new definition of "covered policy". For example, cancellation notices have been sent on policies covering more than four dwelling units.

It is the Department's position that policies issued or voluntarily renewed on or before July 31, 1976 which were covered policies under the earlier definition contained in Section 167-a must be continued for the three year required policy period unless statutory grounds for cancellation or non-renewal arise. Rights under such policies were not affected by Chapter 348, which applies to new issues or voluntary renewals effected on or after August 1, 1976.

Receipt of this letter should be acknowledged by a responsible officer of your company to:

Mr. Anthony DiPaola
Senior Insurance Examiner
Fire & Multi-Line Insurance Bureau
Two World Trade Center
New York, New York 10047

[SIGNATURE]

THOMAS A. HARNETT

Superintendent of Insurance