

April 25, 1988

SUBJECT: INSURANCE

WITHDRAWN

Circular Letter No. 9 (1988)

TO: ALL PROPERTY/CASUALTY INSURANCE COMPANIES; CO-OPERATIVE FIRE INSURANCE COMPANIES; LLOYDS UNDERWRITERS AND RECIPROCAL INSURERS' AND, THE MEDICAL MALPRACTICE INSURANCE ASSOCIATION

RE: PROPERTY/CASUALTY INSURANCE SECURITY FUND

Please be advised that determinations made in accordance with the requirements of Sections 7603 and 7606 of the New York State Insurance Law, indicate that the net value of the Property/Casualty Insurance Security Fund as of December 31, 1987 'was less 'than \$ 150 million. Section 7603 provides that when the net value of the fund is less than \$ 150 million; contributions shall be resumed. Such section further provides that if contributions are so resumed they shall be apportioned among those kinds of insurance for which payments were made from the Fund during the fund year in which the net value was reduced below such Amount, and among insurers in accordance with their respective amounts of net direct premiums written in each such kind of insurance.

During the fund year ending December 31, 1987 payments were made from the Property/Casualty Security Fund for various kinds of insurance as defined in Insurance Law Section 1113. Accordingly, contributions to the Property/Casualty Insurance Security Fund shall be resumed on the basis of "net direct written premiums" on policies insuring property or risks located or resident in this state for each of the following Lines of Business (as listed on Page 14 (New York. Business) of the Annual Statement). "Net direct written premiums" equals column 2 minus column 4 on Page 14. The premiums and dividends in columns 2 and 4 respectively shall be adjusted to account for premiums subject to contributions to the Public Debtor Vehicle Liability Security Fund. The contributions shall be made on a quarterly basis by multiplying the factor listed by the 1988 quarterly net direct written premium to which it applies.

The first quarterly payment will be due on or before May 15, 1988 for the quarter ending March 31, 1988.

The required report forms, additional information and instructions will follow. We anticipate that the applicable factors for 1989 contributions will be adjusted as the results of the 1988 fund year are reviewed in 1989.

In view of the issue date of this Circular Letter, the late payment penalty provisions of Section 7614 will not be imposed on an insurer unable to meet the May 15, 1988 due date. Such insurer must submit a reasonable explanation for the delay.

Please acknowledge receipt of this letter and refer any questions relating to its contents to:

Mr. Frank M. D'Amico

Director of Taxes and Accounts

New York State Insurance Department.

Governor Nelson A. Rockefeller Plaza

Agency Building One

Albany, New York 12257

Very truly yours,

James P. Corcoran

[SIGNATURE]

Superintendent of Insurance