

**Stock Property/Casualty Insurance Company -- Article 41
FINANCIAL REQUIREMENTS**

N.Y. Ins. Law SECTION 1113(a)	KIND OF INSURANCE	PAID-IN CAPITAL (Maintain Surplus to Policyholders)	PAID-IN SURPLUS	INITIAL SURPLUS TO POLICYHOLDERS (Paid in Capital plus Paid in Surplus)
	Group A – Basic:			
7	Burglary	\$300,000	\$ 150,000	\$ 450,000
8	Glass	100,000	50,000	150,000
9	Boiler	100,000	50,000	150,000
10	Elevator	100,000	50,000	150,000
11	Animal	100,000	50,000	150,000
13	Liability – Personal Injury	500,000	250,000	750,000
14	Liability – Physical Damage	100,000	50,000	150,000
15	Workers’ Compensation	500,000	250,000	750,000
16	Fidelity & Surety	900,000	450,000	1,350,000
17	Credit	400,000	200,000	600,000
	Additional amount required if licensed for any one or more of the above kinds of insurance	100,000	50,000	150,000
	Group A – Non Basic			
3(l)	*Accident & Health	100,000	50,000	150,000
3(ii)	*Non-cancellable disability	100,000	50,000	150,000
22	*Residual Value	2,000,000	1,000,000	3,000,000
24	*Credit Unemployment	400,000	200,000	600,000
26	*Gap	2,000,000	1,000,000	3,000,000
27	*Prize Indemnification	300,000	150,000	450,000
28	*Service Contract Reimbursement	2,000,000	1,000,000	3,000,000
29	*Legal Services Insurance	-0-	-0-	-0-
30	*Involuntary Unemployment	400,000	200,000	600,000
31	*Salary Protection	100,000	50,000	150,000
	TOTAL GROUP A (Basic & Non Basic)	<u>\$10,600,000</u>	<u>\$5,300,000</u>	<u>\$15,900,000</u>
	Group B			
4, (5), (6), (12), (19), (20)	Fire & Allied (inland only)	\$ 500,000	\$ 500,000	\$1,000,000
20, (21)	Marine (Inland & Ocean)	500,000	500,000	1,000,000
	TOTAL GROUP B	<u>\$1,000,000</u>	<u>\$1,000,000</u>	<u>\$2,000,000</u>
	Total GROUP A & B	<u>\$11,600,000</u>	<u>\$6,300,000</u>	<u>\$17,900,000</u>

*Cannot be licensed for these kinds of insurance unless company is licensed to write at least one line in Group A-Basic

** It should be noted that these are minimum requirements. A higher amount of surplus may be required based upon a review of the Company's Plan of Operations and Financial Projections. Generally a deposit of at least \$500,000 is required.

Note 1: Property & Casualty Companies seeking to reinsure lines in addition to those lines they can write directly; or to write or reinsure risks outside the United States, its territories and possessions are required to have Surplus to Policyholders of \$35,000,000 and a deposit of at least \$3,000,000.

Note 2: It is recommended that the company include a cushion (i. e. 20%) in its deposit to allow for fluctuations in the market value of the securities in order to minimize the chances of the market value falling below the required amount.

FINANCIAL REQUIREMENTS FOR MONOLINE COMPANIES:

TITLE INSURANCE CORPORATIONS--Article 64 N.Y. Ins. Law

Paid-in capital	\$500,000
Paid-in initial surplus	<u>\$250,000</u>
Initial surplus to policyholders	<u>\$750,000</u>
Surplus to policyholders to be maintained	\$500,000
Minimum capital investments	\$500,000

MORTGAGE GUARANTY INSURANCE CORPORATIONS --Article 65 N.Y. Ins. Law

Paid-in capital	\$1,000,000
Paid-in initial surplus	<u>\$1,000,000</u>
Initial surplus to policyholders	<u>\$2,000,000</u>
Paid-in capital	\$1,000,000
Paid-in surplus	\$ 500,000
Surplus to policyholders to be maintained	<u>\$1,500,000</u>
Minimum capital investments	\$1,500,000

FINANCIAL GUARANTY INSURANCE CORPORATIONS —Article 69 N.Y. Ins. Law

Paid-in capital	\$ 2,500,000
Paid-in surplus	<u>\$72,500,000</u>
Initial surplus to policyholders	<u>\$75,000,000</u>
Paid-in capital	\$ 2,500,000
Paid-in surplus	<u>\$62,500,000</u>
Surplus to policyholders to be maintained	<u>\$65,000,000</u>
Minimum capital investments	\$65,000,000