

September 26, 1979

SUBJECT: INSURANCE

WITHDRAWN

Circular Letter No. 26(1979)
(Addendum to Circular Letters 21 and 22 (1979))

TO: ALL INSURERS AUTHORIZED TO WRITE PRODUCT LIABILITY INSURANCE IN NEW YORK STATE

Subject: AMENDED REPORTING REQUIREMENTS-PRODUCT LIABILITY INSURANCE

Circular Letter No. 21 (1979) and Circular Letter No. 22 (1979), dated August 2, 1979, advised insurers of the requirement to submit semi-annual reports to the Superintendent of Insurance with respect to cancellations and nonrenewals of product liability insurance in addition to reports of product liability claims for the preceding six month period ending June 30, 1979.

Information received by the Department has indicated that the requirement of developing data retroactive to January 1, 1979 for the six month period ending June 30, 1979 would be an extreme hardship and involve tremendous cost. Furthermore, we have been informed that insurers need additional time to complete their reports for the six month reporting periods.

After due reconsideration of this matter, we are making the requirement for reporting information for the six month period ending June 30, 1979 optional on the part of the companies. The filing dates for the submission of such reports is hereby extended to October 15, 1979. In addition, the filing date for transmitting reports to this Department for subsequent six month periods shall be sixty (60) days after the end of the preceding six month reporting period.

The forms for the reporting of claims, cancellations and nonrenewals which were attached to Circular Letters 21 and 22 have been revised in order to provide greater clarity and detail. Attached are copies of the amended forms which are to be completed for the six month period ending December 31, 1979.

The completed forms, signed by a responsible officer of the insurer, should be mailed to:

Mr. Harold I. Baida, Principal Insurance Examiner
Property and Casualty Insurance Bureau
State of New York Insurance Department
Two World Trade Center
New York, N.Y. 10047

You will be advised concerning the form of reports to be submitted for periods subsequent to December 31, 1979.

Very truly yours,

[SIGNATURE]

ALBERT B. LEWIS

Superintendent of Insurance

ATTACHMENT

Product Liability Claim Report Form

Period ending _____

1a. Name of insurer _____ NAIC Company Code _____

1b. Claim file identification _____

2a. Date of occurrence. Month _____ Day _____ Year _____

2b. Date claim reported to insurer. Month _____ Day _____ Year _____.

3a. Insured's Address _____.

3b. Insured's City _____ State _____ Zip Code _____.

3c. Insured's policy number _____ Effective date _____.

4. Type of product involved in claim (description) _____

_____.

5. ISO statistical class (CSP Code) of product* _____.

6. Date of manufacture of product. Month _____ Day _____ Year _____.

7. Date of sale of product. Month _____ Day _____ Year _____.

8. Claim was for BI only _____ PD only _____ BI and PD
(both) _____.

9. Severity (code) * _____.

10. Injured person's status in the occurrence (code) * _____.

11. State in which incident occurred _____.

12a. Amount of reserve for indemnity *

BI \$ _____ PD\$ _____.

12b. Amount of indemnity paid by you, if closed* BI \$ _____

PD \$ _____ Combined (if not separable) \$ _____.

12c. Other indemnity paid by or on behalf of insured, if closed*BI \$ _____

PD \$ _____ Combined (if not separable) \$ _____.

13a. Amount of reserve for allocated expenses *

BI \$ _____ PD \$ _____ Check here if not kept separately but is included in item 12a.

13b. Amount of allocated expenses paid, if closed *BI \$ _____

PD \$ _____ Combined (if not separable) \$ _____.

* See Instructions

Contact person's name & Telephone No.

Address

Person responsible for report

Reason for nonrenewal

1 2 3 4 5 6 7 8 Total

B. Policies

a. Product Liability

b. CGL (incl. Product Liability)

c. Comm'l Package (incl. Product Liability)

d. Others (Incl. Product Liability)

Total

Footnote

Each policy included in the summary is to be assigned only one of the following major reasons for nonrenewal:

1. Poor loss experience of insured - Product Liability

2. Poor loss experience of insured - Coverage other than Product Liability

3. Poor safety engineering

Reason for nonrenewal

1 2 3 4 5 6 7 8 Total

4. Increase in hazard of product

5. Termination of producer

6. Non-payment of premium

7. Insured's request

8. All others

Contact person's name & Telephone No.

Person responsible for report

Product Liability Claim Report Form - Instructions

Complete all items on the form. Indicate "NA" when an item is not applicable or not available. When an item calls for a dollar amount and no amount is involved enter -0- in the space after the dollar sign. Record all amounts in whole dollars only and all States by the two letter Post Office abbreviation.

All fields are self explanatory except as follows:

5. If CSP Code is not known, enter classification code shown on policy.

9. Enter the two digit code describing the degree of injury and/or property damage:

First digit

Second Digit

Bodily Injury

Property Damage

0 - No injury (or legal issue)

0 - No property damage

1 - Emotional only (fright)

1 - Little or no interruption

2 - Temporary (bruise, strain, sprain or fracture)

2 - Interrupted use

3 - Permanent (loss of motion, disfigurement or amputation)

3 - Total replacement

4 - Death

Type of:	Reason for cancellation								Total
	1	2	3	4	5	6	7	8	
i. Food or Food Products(excl. Alcohol)									
j. Gas or Petroleum									
k. Heating equipment									
l. Medical equipment or supplies									
m. Optical goods									
n. Plumbing									
o. Tools and machinery									
p. Others (attach separate sheet)									

Total

B. Policies

- a. Product Liability
- b. CGL (incl. Product Liability)
- c. Comm'l Package(incl. Product Liability)
- d. Others(Incl. Product Liability)

Total

* If policy covers two or more products enter major product, except in those cases where basis for cancellation is other than the major product.

Type of: Footnote	Reason for cancellation								Total
	1	2	3	4	5	6	7	8	

Each policy included in the summary is to be assigned only one of the following major reasons for cancellation:

1. Poor loss experience of insured - Product Liability
2. Poor loss experience of insured - Coverage other than Product Liability
3. Poor safety engineering
4. Increase in hazard of product
5. Termination of producer
6. Non-payment of premium
7. Insured's request
8. All others

Contact person's name & Telephone No.

Person responsible for report

Summary of Nonrenewals of Product Liability Insurance
 Period ending _____

Insurer _____ NAIC Company Code _____

Number of policies nonrenewed _____

Type of: A. Product *	Reason for nonrenewal								Total
	1	2	3	4	5	6	7	8	

Type of:	Reason for nonrenewal								Total
	1	2	3	4	5	6	7	8	
a. Air conditioning equipment									
b. Alcoholic beverages									
c. Automobiles, supplies or equipment									
d. Building materials									
e. Chemical									
f. Coal, wood or fuel (not gas or petroleum)									
g. Drugs									
h. Electrical									
i. Food or Food Products(excl. Alcohol)									
j. Gas or Petroleum									
k. Heating equipment									
l. Medical equipment or supplies									
m. Optical goods									
n. Plumbing									
o. Tools and machinery									
p. Others (attach separate sheet)									

Total

Type of:	Reason for nonrenewal								Total
	1	2	3	4	5	6	7	8	

* If policy covers two or more products enter major product, except in those cases where basis for nonrenewal is other than the major product.