



STATE OF NEW YORK  
INSURANCE DEPARTMENT  
25 BEAVER STREET  
NEW YORK, NEW YORK 10004

November 8, 1982

SUBJECT: INSURANCE

CIRCULAR LETTER NO. 26 (1982)

DATED: NOVEMBER 8, 1982

TO: ALL LICENSED EXCESS LINE BROKERS

SUBJECT: FRONTING BY EXCESS LINE BROKERS

It has come to the attention of this Department that certain licensed excess line brokers have filed affidavits with this Department indicating the placement of insurance with unauthorized insurers although said brokers did not actually place the insurance. The aforementioned filings were made as an accommodation to brokers not licensed as excess line brokers in this State.

You are advised that the filing of affidavits or the payment of taxes by a licensed excess line broker as an accommodation to anyone not licensed as an excess line broker in this State constitutes a violation of Sections 112 and 122 of the Insurance Law and Regulation 41 of this Department.

Please acknowledge receipt of this letter to:

Vincent G. Werling, CFE, CLU

Associate Insurance Examiner

Insurance Exchange & Excess Line Bureau

New York State Insurance Department

Two World Trade Center

New York, NY 10047-0002

Very truly yours,

[SIGNATURE]

ALBERT B. LEWIS

Superintendent of Insurance