

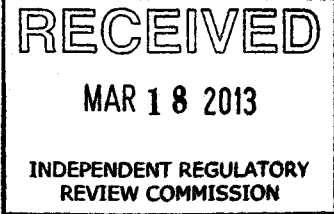
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March 18, 2013

Peter J. Salvatore
Regulatory Coordinator
Insurance Department
1326 Strawberry Square
Harrisburg, PA, 17120



Re: Surplus lines – Proposed amended regulation

Dear Mr. Salvatore:

On behalf of the Insurance Agents & Brokers of Pennsylvania, I am writing in response to the Insurance Department's request for comments on the Surplus Lines proposed amended regulation published in the PA Bulletin 43 Pa.B. 1269. We would like to thank you for the opportunity to provide comment.

Naturally, we understand that most changes are editorial in nature or proceed from the need to bring the current regulation into compliance with the Non-admitted and Reinsurance Reform Act of 2010, as well as Pennsylvania's Act 28 of 2011.

IA&B, however, does take note of other positive changes in the proposed rulemaking, and thanks the Department for agreeing to their introduction. Specifically, some simplification of the diligent search is formalized, including revision of the 1609-PR form. In addition, the recognition that underwriting guidelines can serve as a basis for an admitted insurer declination will help streamline the process and provide more clarity and certainty to writing producers.

While IA&B continues to hold the view that the diligent search process contemplated when the law was first enacted does not fully reflect the evolution of market conditions and practices over the years, we appreciate that this proposed rulemaking takes a step in the right direction, and that further improvements may require legislative action.

Thank you again for this opportunity to provide comments. Please do not hesitate to contact me should you have any questions on the above.

Sincerely,

Claire P. Pantaloni, CIC, CISR
Director of Industry Affairs

Cc: F. E. "Rick" Russell, II, President & CEO, IA&B
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