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Cooper, Kathy

From: IRRC
Subject: FW: Chapter 124 - surplus lines regulation

From: Samuel R. Marshall [mailto:smarshall@ifpenn.org]
Sent: Sunday, April 07, 2013 6:55 PM
To: Salvatore, Peter
Cc: Jonathan Greer; Doug Furness; micaela.isler@pciaa.net
Subject: Chapter 124 - surplus lines regulation

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April 7, 2013

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

Re: Chapter 124 – Surplus lines insurance

Dear Peter:

On behalf of our members and the PCI, our national counterpart, we offer the comments on the Department's proposed revisions to Chapter 124 of its regulations, as published in the March 9 **Pennsylvania Bulletin**.

Section 124.10 – Eligible surplus lines filing requirements: We recommend this be revised consistent with the changes to Section 1605 of the Act – it seems some of the references to subsections in the revised Section 1605 are misplaced (e.g., the reference to Section 1605(3)). The filing requirements in this section of the regulation do not seem to reflect the repeals made to Section 1605 under Act 28 of 2011.

We recommend this section of the regulation be revised to reflect the intent of the Nonadmitted and Reinsurance Reform Act of 2010 to modernize the regulation of surplus lines, and pursued by the NAIC Surplus Lines Requirements Subgroup – with the Department being able to rely on the NAIC I-SITE database for immediate access to these documents already filed by foreign insurers. That may also remove the need for the “additional information” clauses in subsections (a) and (b) – or at least the Department should give examples of what type of additional information it might envision in a particular situation.

Aside from that section, we support the Department's proposed changes, and we welcome the chance to discuss this with you and other interested parties.

Sincerely,

Samuel R. Marshall

President and CEO

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