

Bulletin No. 2020-05

February 18, 2020

RE: CHANGES TO ELANY'S LIST OF E&S INSURERS

The following companies have been **added** to ELANY's List of E&S Insurers:

<u>Company</u>	<u>Code</u>	<u>Effective Date</u>
American Federation Insurance Company 3 Beaver Valley Road, Wilmington, DE 19803	10245	February 11, 2020
Homesite Insurance Company One Federal St., Ste 400, Boston, MA 02110	17221	February 11, 2020

Unauthorized insurers on ELANY's List of E&S Insurers undergo a thorough financial analysis by ELANY. This analysis goes beyond verifying that the insurers meet the minimum standards of eligibility imposed by the Non-admitted and Reinsurance Reform Act of 2010 ("NRRA"). In addition, ELANY gathers, reviews and/or verifies the following information, as referenced in Section 27.13 of Regulation 41:

- Annual financial statement;
- Report on examination;
- A certification from the insurer's domiciliary jurisdiction indicating which lines of business the insurer is authorized to write;
- Listed insurers substantially comply with the solvency requirements for NY authorized insurers;
- Listed insurers' surplus to policyholders is sufficient to support their writings, outstanding liabilities, financial needs and is at least \$47 million;
- Listed insurers' claims practices provide for fair and timely settlement with claimants; and
- Company management is trustworthy and competent

Excess line brokers are relieved from maintaining listed insurer financial records where such records are maintained by ELANY. While other insurers may meet the NRRA minimum requirements and are therefore eligible in New York, ELANY only lists insurers where sufficient information was provided to determine satisfactory financial stability, the proper mitigation of operating risk and ability to support current and future obligations.

Section 2118 of the Insurance Law and Regulation 41 provides that a licensed excess line broker is required to use due care in selecting an unauthorized insurer. For any unauthorized insurer not included on ELANY's List of E&S Insurers, the excess line broker themselves need to maintain all of the information referenced in Section 27.13 of Regulation 41.

ELANY's List of E&S Insurers can be accessed at the ELANY website along with financial snapshots of each insurer that include customized financial analysis.

All current ELANY bulletins and other current ELANY publications can be found on our website at <http://www.elany.org>.

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