

Bulletin No. 2019-21

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RE: FORGED POLICY DOCUMENTS

ELANY recently detected that a broker cut and pasted the ELANY “**stamp**” from a previously submitted binder to a declarations page that was never submitted to ELANY for review and stamping.

Copies of all declarations pages and cover notes must be submitted for stamping, even when a binder or confirmation of coverage on the same transaction was previously stamped.

Both Section 2118 and Regulation 41 state that it is **unlawful** for an excess line broker to deliver an excess line insurance policy declarations page that does not bear the “**stamp**” applied by the excess line association. The ELANY “**stamp**” indicates that the excess line transaction, submitted by the excess line broker, was reviewed by ELANY and determined to be in compliance with all applicable excess line laws and regulations in New York.

Moreover, the Department of Financial Services (DFS) may consider the delivery of “**forged**” stamped excess line policy declarations page by an excess line broker to be untrustworthy conduct resulting in fines, suspension or revocation of licenses.

Forging policy documents is an unwise decision. ELANY strongly recommends that members cease and desist from this practice immediately.

If you, as an excess line broker, have submitted binders to ELANY that have been stamped but failed in numerous instances to submit declarations pages pertaining to those transactions to ELANY for stamping, you are advised to submit those declarations pages as soon as possible.

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