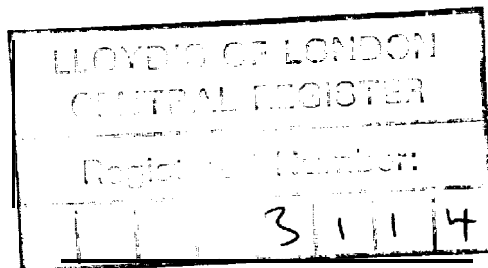


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One Lime street, London EC3M 7HA

Ms D Dalmon  
Manager  
Lloyd's Information Centre  
86/G10`

BRO1075



FROM: Bruce Tompson  
LOCATION: INT/86/526  
EXTENSION: 5603  
DATE: 30 May 1995  
REFERENCE: INT/mka/njslrep/X805  
SUBJECT: NEW JERSEY SURPLUS LINE REPORTING

**ACTION POINTS:** To provide additional data to LPSO for each New Jersey transaction.

**DEADLINE:** Business submitted to LPSO from 1 July 1995

The New Jersey State Department of Insurance (the Insurance Department) have asked Lloyd's to provide additional specific data for surplus line reporting purposes. Lloyd's US General Counsel LeBoeuf, Lamb, Greene & MacRae have advised that Lloyd's must comply with this request to maintain its eligibility as a surplus line insurer.

The data Lloyd's has been asked to supply is noted below. For an example of how this business is reported see Appendix A.

- . transaction number
- . policy or certificate number
- . gross premium

All New Jersey surplus line brokers are required to issue a unique transaction number for each surplus lines transaction. This transaction number, together with the policy/certificate number and gross premium is reported quarterly to the Insurance Department. The New Jersey surplus line broker also has a duty to pass all this data onto the next broker in the chain.

If a Lloyd's broker is receiving business directly from a New Jersey surplus line broker, or via another state which originated from a New Jersey surplus line broker, they should automatically be receiving this data. However, if this is not the case, the Lloyd's broker should make arrangements for this data to be provided.

From 1 July, 1995 brokers must supply the required New Jersey data to LPSO. To assist you in this process we have designed form LPO 532 (Appendix B), which maybe copied for convenience.


For each open market risk emanating from a New Jersey broker, LPSO must be informed of any New Jersey surplus line details. Any such risk presented to LPSO without the form will be referred back to the broker to confirm the status of the New Jersey risk and, where the risk is surplus line, to obtain the necessary New Jersey transaction details. This process will not delay the signing of the premium to underwriters.

For declarations under binding authorities or other similar facility type contracts using bulked signings, the LPO 532 form should be used as far as is practical. Alternatively, where a bordereaux already contains the required New Jersey data, a copy of this can be supplied to LPSO, accompanied by the LPO 532 form marked "See attached bordereaux".

Lloyd's brokers should note that this market bulletin sets out specific reporting requirements for New Jersey surplus line business only. All other surplus line business should continue to be reported as advised in our market bulletin dated 31 January 1995, entitled "Reporting All US Direct Premiums for Property & Casualty Business, to US Regulators".

If you would like to discuss this matter further please contact Maria Allen or Nick Rayon extensions 5309 and 6199 respectively.

This bulletin is being sent to all Lloyd's brokers, active underwriters and known computer bureaux.

A handwritten signature in black ink, appearing to read "Bruce M. Tompson", with a long horizontal line extending to the right.

Bruce M Tompson  
Manager - The America  
**International Department**

## **APPENDIX A**

<b>TRANSACTION NUMBER</b>	<b>POLICY NUMBER</b>	<b>TOTAL PREMIUM AMOUNT</b>
00000-94-00157	390930041	4,795.00
00000-94-00357	390930056	4,620.00
00000-94-00295	390630027	2,795.00
00000-93-01410	LED 1147D1	3,750.00

**New Jersey require the following data to be reported quarterly from 1.1.95.**

. Transaction number -14 characters in length.

The first 5 characters identify the New Jersey surplus line broker, e.g. 00000=XYZ Insurance Broker.

The inception date of the risk (year only) forms another part of the Transaction Number, e.g. 94= 1994.

The final part comprises 5 characters which is a consecutive serial number.

Hence, Transaction Number 00000-94-00157 is the 157th transaction processed by XYZ Insurance Brokers, incepting in 1994.

- Policy Number - the **US broker's** policy or certificate number. This is at individual risk level.
- . Gross Premium per risk, AP or RP.

