



Special points of interest:

- Freedom of Form bill passed
- Our "Newest" Member
- Jon Bennett Accepts Award
- Trivia Question of the Month
- Heard on the Street

Inside this issue:

Freedom of Form bill passed	1
Tina's back!	1
Executive Board & Committee List	2
Future Meeting Schedule	2
NJSLA Welcomes "Newest" Member	3
June Legislative Meeting	3
President's Message	4

Freedom of Form Bill Passes Unanimously!!

Your Association was advised by John Mulhern and Michael Byrne, of LeBeouf, Lamb, Green & McRae, that our Freedom of Form Bill (Senate Bill 1991) was passed unanimously (40-0) by the NJ Senate on Monday, June 30.

The Assembly version of the bill had already passed unanimously (78-0) on May 22. The NJDOBI has no objections to the bill and the Governor is expected to sign the measure into law. The bill is effective immediately.

Passage of this bill represents the culmination of years of work by many people, and we are privileged to be able to report this exciting news to you today.

The Freedom of Form bill was co-sponsored by Neil M. Cohen, Anthony Impreveto, and Gerald Cardinale.

"This bill provides that policy forms used by surplus lines insurers will no longer be regulated by the Department of Banking and

Insurance. Under current law, surplus lines policies must provide coverage under substantially the same terms and conditions as that provided in policy forms which are currently approved by the Commissioner ... for use in the admitted market. Surplus lines insurers provide insurance coverage which is not available in the admitted market in this State. It is necessary to deregulate policy forms in the surplus lines market to increase the amounts of surplus lines insurance available in this State."

Former Executive Director Steps Up To The Plate!

When Executive Director Margaret Raphael announced that she would be taking maternity leave of the board, President McCloskey began searching for a suitable replacement. Not an easy task, I must tell you! However,

in typical Tina Bukow-Truman fashion, one call was all it took to bring her back to assist the Board in the performance of its duties.

Without the assistance of people like Margaret and Tina, it would be

most difficult for us to operate. We express our deepest gratitude to Tina for quickly and enthusiastically stepping up to the plate and helping us while Margaret is on maternity leave.

Thanks Tina!!

Board Members and Committee Assignments

Your Executive Board for 2003 is as follows:

Position	Name	Phone	Email
Past President	Frank Mastowski	201-573-8200	fmastowski@jimcor.com
President	Charles McCloskey, Jr.	201-945-1717	charlesjr@metcomexcess.com
Vice President	Steven R. Gross	908-688-3088	sgross@metroins.com
Secretary	Frank Seigel, CPCU	973-616-1800	seigel@dvua.com
Treasurer	Kevin Engelke	856-797-8200	kengelke@jimcor.com
Director	Dennis Pellegrino, Jr.	609-530-0111	dennispjr@excelins.com
Director	Robert D. Morgan	610-225-2257	rmorgan@usli.com
Director	Anthony Montano	973-422-0030	amontano@crcins.com
Director	Joe Powell	732-679-3777	jpowell@lawppl.com
Counsel	John Mulhern	973-643-8000	jmulhern@lglm.com
	Michael Byrne	973-643-8000	hbyrne@lglm.com

Committees

Meetings

Anthony Montano
Dennis Pellegrino, Jr.

Legislative

Kevin Engelke, Bob Morgan
Dennis Pellegrino, Jr. &
Joe Powell

Membership

Anthony Montano
Frank Seigel

Association Liaison

Frank Seigel, Joe Powell &
Bob Morgan

Communication

Frank Seigel
Kevin Engelke

Education

Joe Powell

Finance

Steven Gross
Kevin Engelke

Golf Outing

Steven Gross

Honoree

Steven Gross
Kevin Engelke

Executive	Margaret Raphael	201-489-2565	margaret.raaphael@raphaelandassociates.com
Director			raphaelandassociates.com
Acting Executive Director	Tina-Bukow-Truman	201-420-3562	tbukow@prebon.com

Trivia Question of the Month—

Why do golf courses have 18 holes (and not 10 or 20 or some other number)?

Email or fax your answer to: Frank Seigel—973-839-6337—seigel@dvua.com

Answer to appear next issue!!

Want to be added to our e-mailing list? Drop a note to Tina-Bukow-Truman, Anthony Montano or Frank Seigel!

2003 Meeting Schedule (Remaining)

Date	Event	Location
October 14	General Meeting - <i>President's Forum</i>	Woodbridge Hilton (<i>tentative</i>)
December 10	Holiday Party	PNC Bank Arts Center

Jon Bannett Accepts 2002 Honoree Award

Addressing an audience of over 175 friends and guests, Jon Bannett, Sr. VP of DVUA of NJ, accepted, with heartfelt gratitude, the NJSLA's most prestigious honor from NJSLA President Charles McCloskey, Jr.

In typical Bannett

fashion, however, he did not pass up the opportunity to pass along some of his wit and wisdom, and poke a few friendly jabs at his long time friend, Ed Levy.

In all fairness to Jon, however, Levy did his share by favoring the

audience with several of his favorite "Tales of Bannett"!

Once again, Jon, thanks for your tireless efforts in helping us bring about changes in the NJ Surplus Lines Law.



Jon Bannett accepts the award as 2002 Honoree of the Year

NJSLA Welcomes "Newest" (and youngest) Member!!

June 2003 will be a most memorable month for the Raphael family.

Former Director Justin Raphael wrote us with the following news:

"Margaret asked me to email all of you some pictures of Allison.

She was 9lbs. 8 1/4 oz. and 21 3/4 inches!!!

Margaret is recovering very well and sends her regards.

We'll see you soon."

Please join us in wishing Margaret and Justin best wishes and congratulations on the birth of their daughter and "newest" NJSLA member, Allison.



June Legislative Meeting

On June 17, our members were enlightened by some of the foremost experts on the new Producer Licensing and Gramm-Leach-Bliley Acts. The distinguished panel, moderated by NJSLA Pres. McCloskey, Jr., was comprised of Dick Bouhan, Executive Director of NAPSLO; Mike Koziol, General Counsel of NAII, and Daniel F. Maher, Executive Director of ELANY.

These gentlemen answered such question as: How do I handle a filing on a multi-state risk? Can I be multi-state licensed for surplus lines? I have an office in one state, and live in another— which state is my "resident" state? The meeting could have gone on all night!

If you missed this meeting, you missed a great one!



Panelists Dan Maher, Dick Bouhan and Mike Koziol

**NEW JERSEY
SURPLUS LINES
ASSOCIATION**

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PRESIDENT'S MESSAGE

Charles McCloskey, Jr.

The passage of the Freedom of Form bill is the culmination of an outstanding effort, not only by members of our association but from many others throughout our industry. We have nearly reached the finish line and we will keep you apprised of any developments.

Our June legislative meeting was a great success. We learned a great deal about the Graham-Leach-Bliley Act and all its implications, including Nonresident Surplus Lines Licensing. Our panelists, Dick Bouhan, Mike Koziol and Dan Maher shed light on an extremely complex topic. We were most fortunate to have had such a knowledgeable group of industry experts.

We are proud to announce the first annual NJSLA CIC Scholarship will be awarded at the upcoming October CIC meeting. Our next function following our Golf Outing is the October President's Forum. We have an excellent group of industry leaders ready to share their views on the current state of the market. I hope to see all of you there.

On behalf of the entire Board, we hope you have a great summer.

As always, should you have any questions or concerns, feel free to contact me at (201) 943-1717 ext 334 or charlesjr@metcomexcess.com

Heard on the Street.....

Butter Side Up.....

Industry Posts \$13 Billion Profit!

Swiss RE Economists: U.S. Economy Entering Slow Patch, Insurance Industry Faces Prolonged Hard Market.

A.M. Best Says P/C Industry's Combined Ratio Under 100 Despite High Cat Losses, Reserve Development.

Butter Side Down...

Property and Casualty Insurers Increase Claim Reserves by \$22 Billion in 2002

207 Property and Casualty Insurers Downgraded by Weiss Ratings; 107 Insurers Upgraded

A.M. Best Co. has downgraded the financial strength rating of the Gulf Insurance Group to A from A+. The rating outlook is stable.

Property-Casualty Rate Hikes Appear To Have Peaked.

Headlines taken from *National Underwriter*, *Insurance Journal* and various other sources