



**Special points of
interest:**

- NAPSLO Recap
- NJSLA and PIWA Boards Meet

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NAPSLO Recap

This year's NAPSLO, held in Chicago, attracted over 3,500 registered attendees, and probably another 250 or more unregistered. The meetings were hectic, as always, but the tenor of the conversations were interesting.

All of the carriers there want to write more business, and they were not shy about asking for it! No threats, but every carrier was asking what they could do to get the broker to send them

more business. From the wholesalers I spoke to, additional "pens" were readily available and offered, but all markets are being very selective, and the brokers even more selective, concerned about feeding the "mouths" they already had, much less taking on a few new ones.

The softening market, of course, was the highlight of the conference, and the opinions as to which segment was the

softest ranged from Homeowners, to Property, to Umbrella to middle-market accounts. Habitational, inner-city, mercantile and auto were mentioned as finding there way back into the standard market.

What can we do? "Business as usual" said one wholesaler, "No one knows where its going to go." However the consensus was that providing top service to the best customers is the way to go.

Legislative Update: HR5637 Passes the House

By now most of you have heard that this bill has passed the House. NAPSLO is a key backer of the bill, and has drafted many of the original concepts.

Briefly, the Act, known as the "Non-Admitted and Reinsurance Reform Act" would:

- Create a uniform system of premium tax

allocation and collection for surplus lines and reinsurance;

- Provide deference to the policyholder's home-state regulator for the surplus lines market;

- Adopt the non-admitted insurance model act of the NAIC;

- Streamline access to the surplus lines market for "sophisticated ... com-

mercial... buyers."

The Act has the support of the IIABA, the CAIB, the Reinsurance Association of America, and NAPSLO.

The Consumer Federation of America, has expressed its doubts, especially as respects the effect on Personal Lines.

Board Members and Committee Assignments*

Your Board of Directors for 2006 is as follows:

	Position	Name	Phone	Email
Committee Chair	Past President	Charles McCloskey, Jr.	201-641-5100	charlesjr@metcomexcess.com
	President	Steven R. Gross	973-467-4467	sgross@metroins.com
	Vice President	Frank Seigel, CPCU	201-573-8200	fseigel@jimcor.com
	Secretary	Kevin Engelke	856-797-8200	kengelke@jimcor.com
	Treasurer	Dennis Pellegrino, Jr.	609-530-0111	dpellegrinojr@excelins.com
	Director	Howie Rosenthal	201-261-5100	hrosenthal@ca-group.com
	Director	Robert D. Morgan, CPCU	610-225-2257	rmorgan@usli.com
	Director	Anthony Montano	973-422-0030	amontano@crcins.com
	Director	Dan Jahnsen, Esq.	732-212-1200	djahnsen@bolanjahnsen.com
	Counsel	John Mulhern	212-424-8630	jmulhern@lglm.com
		Michael Byrne	212-424-8440	hbyrne@lglm.com

Meetings

Anthony Montano

Legislative

Kevin Engelke

Membership

Dennis Pellegrino, Jr.

Communication

Frank Seigel

Finance

Dennis Pellegrino, Jr.

Golf Outing

Steven R. Gross

Honoree

Charles McCloskey, Jr.

Education/Scholarship

Robert Morgan

Association Liaison

Howie Rosenthal

Executive	Vicky Nelson	973-467-4467	vnelson@metroins.com
Director			

Want to be added to our e-mailing list? Drop a note to Vicky Nelson or Dennis Pellegrino, Jr.

Trivia Question of the Month—

Well, we had FOUR winners last month, so let's make it a little tougher.

Q. We all use FAX machines every day, but when was the technology first invented, and when was the first FAX sent?

HINT: It's a LOT older than you think!

The Winner(s) of Last Month's Trivia Question are —

Congratulations to Chris Nucera, Marion Gessner, Elizabeth Craddock and Chuck Heverly, CPCU, who correctly reported that Dr. E. Pfennig was Ford Motor Company's first customer, purchasing a Model "A" for \$850.

Congrats to all, and thanks for reading our Newsletter!!

Contributions to the Newsletter are ALWAYS welcome! Please submit your articles, letters or photos to Frank Seigel (fseigel@jimcor.com).

* Visit our website at:
www.njsla.org for a complete
list of Committee Members

The Largest....

Source: Business Insurance

US Surplus Lines Insurers

1. Lexington Insurance Company
2. American Intl Surplus Lines
3. Steadfast Insurance Company
4. Scottsdale Insurance Company
5. Columbia Casualty Co.
6. Arch Specialty Insurance Co.
7. Evanston Insurance Co.
8. Landmark American Ins. Co.
9. Admiral Insurance Company
10. Essex Insurance Company

Wholesale Brokers

1. American Wholesale Ins. Group
2. CRC Insurance Services
3. Swett & Crawford
4. Risk Placement Services
5. Crump Insurance Services
6. BISYS Commercial Insurance Services
7. Westrope
8. ARC Excess & Surplus
9. Gresham & Associates
10. U.S. Risk Insurance Group

MGA/Underwriting Managers

1. The Schinnerer Group
2. Burns & Wilcox Ltd.
3. Hub International
4. Easter America Insurance Agency
5. W. Brown & Associates
6. K&K Insurance Group
7. NIF Group
8. WKF&C Agency Inc.
9. LoVullo Associates
10. Arlington/Roe

2006 Meeting Schedule (Remaining) and 2007 (Tentative)

Date	Event	Location
Tuesday, Oct. 17	President's Forum	Hilton Woodbridge—Dinner
Tuesday, Nov. 7	Board Meeting	Starlight Steakhouse, Ramada Inn, E. Brunswick
Tuesday, Dec. 7	Annual Holiday Party & Election of Officers	Liberty House Restaurant—Dinner
Tuesday, Jan. 9	Board Meeting	Starlight Steakhouse
Tuesday, Feb. 13	Lunch Meeting	11:30-1:00 Hilton-Woodbridge
	Education Seminar	1:00-4:00

Heard on the Street.....

“...something very strange is happening in the soft market of 2005. There are very few rogue underwriters.”

Richard Kerr, CEO, MarketScout.com

(at the time, rates were down 2% - wonder what he'd say now...?)

“The biggest challenge that all of us in the E&S business face is how we are going to maintain our revenues—they will be under increasing pressure.”

William Newton, President, Lemac & Associates

**NEW JERSEY
SURPLUS LINES
ASSOCIATION**

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PRESIDENT'S MESSAGE

Steven R. Gross

As we approach year end, it is the time of year when we reflect on our accomplishments, what goals we did not meet and what steps we will take for the forthcoming year. Your association has made much progress this year. We continued to provide scholarships to both the basic and advance NAPSLO school as well as offering many successful programs throughout the year. We have kept abreast of legislative issues and been actively involved in other associations in an attempt to broaden our reach.

As my term as your President comes to an end, I can look back over the past two years and be proud of your board of directors and the participation of the members of the association in our functions. Your board has established a number of initiatives that will bear fruit in the future and broaden the scope of the services your association provides to its members. The board has approved the slate of directors that the nominating committee put forth and I fully expect that each year will improve with our new leadership. Having said that, it is still up to you, the members, to make a difference. While your board works extremely hard, it is imperative that we continue to solicit new members. Current members need to step up to the plate and be active on committees.

It has been a pleasure serving as the President of the Association. It has been a meaningful experience and I invite everyone to please take the time to visit our website and email Vicky Nelson, our Executive Director, with your commitment to a committee or even just an idea. Without your feedback, your association cannot grow and thrive. If you share your knowledge and time, there is no doubt that the association will continue to serve its membership well.

Please help support the association by attending the Holiday Dinner on December 7, 2006 at the Liberty House, when the new board will be installed. I look forward to seeing you there.

More at NAPSLO—NJSLA Board Meets PIWA Board

While at NAPSLO, members of your board met with members of the PIWA board, to see if there exists any mutually beneficial synergies.

As it turns out, there were many. Both boards are interested in providing more services to its members, and providing useful and interesting forums for the exchange of ideas and information.

PIWA has an annual "convention" of sorts, which draws a fair crowd. They expressed an interest in extending the opportunity for our members to attend the PIWA Convention, at "member" rates.

Likewise, your board extended an invitation to the PIWA members to attend our meetings, also at member rates.

Both boards plan to meet to continue discussions in the near future, to give members of both organizations opportunities to meet their fellow members, and participate in each others' events, at reduced cost.

Your board will, of course, keep you posted as talks continue.