



NEW YORK STATE  
DEPARTMENT *of*  
FINANCIAL SERVICES

Andrew M. Cuomo  
Governor

Maria T. Vullo  
Superintendent

**Circular Letter No. 10 (2017)**

**July 27, 2017**

**TO:** All authorized property/casualty insurance companies issuing homeowners insurance policies in the below designated counties

**RE:** Insurance Claims Arising out of Flooding of Lake Ontario

**STATUTORY REFERENCES:** Insurance Law Article 26 and 11 NYCRR 216 (Insurance Regulation 64)

Earlier this summer, Governor Andrew M. Cuomo declared a State of Emergency in Cayuga, Jefferson, Monroe, Niagara, Orleans, Oswego, St. Lawrence, and Wayne counties. In addition to other emergency assistance provided by the Governor, the Department of Financial Services (the "Department"), the Office of Emergency Management and the Department of Environmental Conservation have deployed mobile units and staff to the region to provide insurance and other assistance to affected residents. "Water levels are continuing to rise, threatening homes and businesses in the Lake Ontario region," Governor Cuomo said. "By deploying these mobile command centers to help residents with insurance claims, we continue to take aggressive action to protect the people who live and work in the affected communities."

In this emergency situation, the Department expects all insurers to do their part. Due to the severity of this situation and extent of damage to homeowners and businesses, it is imperative that the insurance industry work towards a fair and speedy resolution of claims. Insurers should also fulfill their obligations as good corporate citizens in this state by assisting policyholders with helpful information regarding emergency aid, tips for damage prevention, and resources for remediating damage.

Accordingly, the Department reminds all carriers covering homes or businesses in the areas affected by the flooding of their obligations regarding the following:

- Carriers are required to increase their resources to ensure proper treatment of their policyholders during this State of Emergency;
- Carriers and their third party adjusters must promptly assess claims;
- Affected policyholders are entitled to fair and equitable claim settlement treatment under the New York Insurance Law and Regulations;
- Carriers must not deny claims caused by multiple perils when not all perils are covered under the applicable policy; and
- The Department expects timely payments of claims that arise out of covered perils.

The Department will continue to assist affected residents and businesses with insurance related issues and continue to monitor the situation. The Department appreciates all insurers' cooperation in this effort.

Sincerely,

A handwritten signature in black ink, appearing to read "Maria T. Vullo". The signature is written in a cursive style with a large initial "M".

Maria T. Vullo  
Superintendent