

TO: All Agents and Brokers

BULLETIN NO: All Canada SC 2022-02

DATE: August 12, 2022

SUBJECT: Temporary Allowance: Letters of Authorization

Currently Facility Association does not allow for Letters of Authorization due to a change in Broker.

The Current rule reads as follows:

Midterm Transfer of Business and Broker of Record Letter of Authorization:

Broker of Record Letters of Authorization for an Insured to change Agent/Broker are not accepted. A new application must be submitted whether the transfer from one Agent/Broker to another is to take place midterm or at renewal.

Midterm transfer of a book of business or partial book of business from one Agent/Broker to another is not permissible. The transfer will take place at renewal. It is expected the new Agent/Broker will review the risk carefully for remarket before renewing with Facility Association.

This restriction was originally established due to multiple Servicing Carriers. **Effective Immediately, Facility Association will temporarily allow Broker of Record changes on renewal only.** Mid-term requests to transfer or change the Agent/Broker are not permissible. It is expected the new Agent/Broker will review the risk carefully for remarket before renewing with Facility Association.

The Facility Association Manual of Rules & Rates will not be revised, as this allowance will be discontinued in the event that a second Service Carrier is appointed.

If you have any questions regarding this Bulletin please contact your Servicing Carrier.