



March 5, 2004

**NEW JERSEY ANNOUNCES SURCHARGE FOR RECOUPMENT
OF THE PROPERTY - LIABILITY INSURANCE GUARANTY
ASSOCIATION ASSESSMENT**

BACKGROUND The Commissioner of Banking and Insurance issued Order No. A04-106 on February 24, 2004 allowing for the imposing of a surcharge to recoup the assessment paid to the Association which is due on March 17, 2004.

SURCHARGE A surcharge of one percent (1%) may be applied to policies issued or renewed on or after April 1, 2004 for all kinds of insurance except those listed in the Order. This surcharge has been increased from the .25% applied in the previous year.

The increase in the assessment reflects the consolidation into NJPLIGA of several automobile insurance claims functions, namely the Unsatisfied Claim and Judgement Fund and the payment of medical expense benefits in excess of \$75,000.

QUESTIONS Call Jan Kozlowski at (800) 935-6900 or e-mail at: jkozlowski@msonet.com.