

**PROGRAM DIVISION
BULLETIN**

2007-13

April 23, 2007

Louisiana Citizens Property Insurance Corporation
2006 Recoupment Surcharge

In November 2005, the Louisiana Citizens' Property Corporation (CPIC), a residual market plan for residential and commercial property policyholders, authorized a regular assessment against admitted insurers to cover operational deficits in the Fair Plan and the Coastal Plan as a result of Hurricane Katrina and Hurricane Rita.

Pursuant to Louisiana Directive 191 (December 22, 2005) and R.S. 22:1430.10, admitted companies are permitted to recover regular assessments by means of a policy level surcharge, after an appropriate filing has been approved by the Department.

Based upon the assessments paid by Granite State Insurance Company and the New Hampshire Insurance Company, we filed for a recoupment surcharge of 12% to recover the CPIC 2005 regular assessment. The recoupment surcharge filing, Company File Number AIC-06-RS-01, has now been approved by the Department.

This 12% CPIC regular assessment will no longer be charged starting June 23, 2007.

The CPIC emergency assessment of 3.6% which was effective on January 1, 2007 will remain on the policies.

If you have any questions, please contact your Program Manager.

© 2007 American International Group, Inc.
The material contained herein is proprietary to the member companies of American International Group, Inc. and is intended for use only by Program Administrators. Unauthorized disclosure, dissemination, copying, or other use of this material without the expressed written permission of AIG is strictly prohibited.

AIG

PROGRAM DIVISION

100 Summer Street/19th Floor, Boston, MA 02110
phone 617-330-1100 / fax 617-330-8595