



June 24, 2021

**VIA Email: [HouseCorporations@rilegislature.gov](mailto:HouseCorporations@rilegislature.gov)**

Representative Joseph J. Solomon, Jr.  
Chairman, House Committee on Corporations  
Rhode Island State House  
Providence, RI 02903

Re: Letter in support of House Bill 5780 – An Act Relating to Insurance – Financial Services

Dear Chairman Solomon,

On behalf of FM Global, I appreciate this opportunity to provide you with this letter of support for House Bill 5780 – An Act Relating to Insurance – Financial Services.

Originally founded in 1835, FM Global is a large international property insurance company with headquarters located in Johnston, Rhode Island. The FM Global parent company, Factory Mutual Insurance Company, is a mutual incorporated in Rhode Island and regulated by the Insurance Division of the Rhode Island Department of Business Regulation. Its subsidiaries include separately licensed insurance companies in the European Union and the United Kingdom.

The implementation of Covered Agreements and the elimination of state collateral requirements for EU and UK reinsurers is both fair and in the interests of U.S. ceding insurers and, therefore, FM Global supports the passage of state legislation based on the revised NAIC Model Credit for Reinsurance Law, such as House 5780. Alignment of the Rhode Island insurance laws with NAIC model laws is also necessary for the Rhode Island Department of Business regulation to maintain NAIC accreditation.

Please note that FM Global is a member of the American Property and Casualty Insurance Association (APCIA), and we support and agree with the APCIA letter to you of March 23, 2021, including the recommendation of a Sub A.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Lawson".

Thomas A. Lawson

**THOMAS A. LAWSON**

Chairman and Chief Executive Officer

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