

# SLA Quarterly

## August 2004

### What's Inside:

REPORT OF THE CHAIR, PGS. 1-2

LEGISLATIVE UPDATE, PG. 2

REPORT OF THE DIRECTOR OF THE STAMPING OFFICE, PG. 3

PRESENTATION BY THE UK FINANCIAL SERVICES AUTHORITY, PG. 4

MEMBER PROFILE, PG. 4

HELPFUL HINTS ON COMPLETING THE DILIGENT SEARCH REPORT, PG. 5

TOP 100 BROKERS BASED ON PREMIUM PROCESSED, PGS. 6-8

PREMIUM TOTALS BY COMPANY TYPE, PG. 8

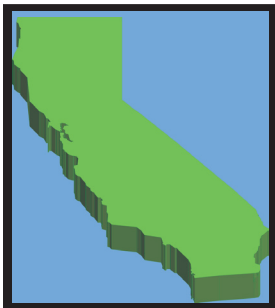
40 LARGEST COVERAGES BASED ON PREMIUM PROCESSED, PG. 9

TOP 50 INSURERS BASED ON PREMIUM PROCESSED, PGS. 10-11

COMPARISON OF PREMIUM & ITEMS PROCESSED 2004 VS 2003, PG. 11

EDUCATIONAL CALENDAR & SLA OFFICERS AND STAFF, PG. 12

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**Greg Crouse**  
Executive Chair, 2004

### Report of the Chair

Surplus line premiums have continued to climb steadily in the first half of 2004 and are expected to exceed \$5 billion at year's end. However, times are changing and the SLA is now recording an 11 percent growth rate in premiums -- far short of the 30 to 40 percent increases recorded in 2003 and 2002. My goal as SLA Chairman is to see that the SLA achieves gains in efficiency in terms of processing broker filings and the company application process for the List of Eligible Surplus Line Insurers (LESLI). The ultimate goal is to find opportunities to extend efficiencies to California Surplus Line Brokers and the surplus line insurers on the LESLI.

The good news is Commissioner John Garamendi and

the Department of Insurance are committed to utilizing technology to streamline the insurance regulatory process. Many regulatory transactions are amenable to an electronic process. Electronic records facilitate the transfer of information into a database and enhance the Department's ability to conduct statistical market analysis. Therefore, the SLA's goal is to establish an efficient electronic filing program that is in keeping with the Commissioner's goals (with a few caveats). Because much of the information gathered by the SLA is confidential, the SLA must have security protocols in place to protect the data and detect intrusions. Moreover, an electronic filing system must have a mechanism for authenticating the "signature" of the broker submitting the SLA filing. The next step is for the SLA to assess the protocol necessary to conform to the cyber security required by the Department of Insurance.

On another front, the SLA is watching the United States Congress as it moves closer to addressing Federal standards for state insurance regulation. We are partici-

*(Continued on Page 2)*

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pating in a cooperative effort to identify how the surplus line marketplace would fit within a new regime of federal standards for state regulation. The House Financial Services Committee is preparing a bill to create standards for functional state regulation through standards designed to create uniformity among the 50 states. This is a complex process that may take several bills and many

years to accomplish. It will also require cooperative action by the state legislatures and insurance departments. The SLA has emphasized State authority to regulate surplus line transactions within the State in which the insured maintains its principle place of business.

Finally, surplus line brokers (both resident and non-resident) are reminded that the

SLA provides training materials on Stamping Office filing procedures. The SLA also provides on-site training sessions and periodic seminars. In addition, SLA will respond to emergency training needed when filings have been left undone or new brokers need training in a hurry. For more information, please contact Vienna Murray at (415) 434-4900, ext. 162 or [vmurray@slacal.org](mailto:vmurray@slacal.org).

## Legislative Update



AB 2490 (Maddox) was signed into law by Governor Arnold Schwarzenegger on July 5, 2004 and becomes effective on January 1, 2005. The bill broadens an existing commercial lines exemption to include personal lines. In particular, Insurance Code section 1764.1 currently requires nonadmitted insurers and surplus line brokers to ensure that every applicant (other than an industrial insured applicant) signs a disclosure form (the "D-1 Form") at the time the application is submitted. There is an

exception to this requirement, however, that currently applies only to commercial insurance coverages. This exception allows commercial coverage to be bound before the D-1 Form is signed, but only if the commercial applicant requires that insurance coverage be bound immediately and the applicant is unable to meet in person with the producer to sign the D-1 Form. Under the current exception, the producer may obtain the signed D-1 Form from the commercial applicant within 5 days after binding coverage, provided that the commercial applicant may cancel the insurance within 5 days of first receiving a copy of the D-1 Form.

AB 2490, which will take effect January 1, 2005, extends this same exception to personal lines coverages (other than automobile insurance). Thus,

for both personal and commercial coverages, coverage may be bound before the D-1 Form is signed, but only in the situation described in the preceding paragraph. In addition, the D-1 Form is amended as of January 1, 2005, to include a new paragraph informing all applicants of this exception and of their right to cancel coverage within 5 days. This personal lines exception will expire on January 1, 2008, unless the legislature extends it. The bill was sponsored by the Insurance Agents & Brokers Legislative Council and was the brainchild of Dave Anderson of Anderson & Murison, Inc.

## Report of the Director of the Stamping Office



Joy Erven

The year 2004 has been a busy one for the Surplus Line Association. The Data Processing Department has processed \$2.7 billion in premiums. We are on target to again exceed \$5 billion in processed premiums, and the 11% increase is above our projections. Our total policies processed to date are 214,353.

Our Education Department is happy to announce Michelle Sario has moved into a full time position. Michelle previously worked for the SLA in the Education department on a part-time basis. We are very excited to have her working on a full-time basis and know she will be an asset to her department and the association.

As a reminder, the diligent search form has changed. Please make sure you are using the correct SL-2 form. If you have any questions please feel free to call us at 415-434-4900.

We would also like to welcome our newest brokers:

*Ablahat, Roger Haydon  
Adler-Downey of Arizona,  
Inc.  
Andy, Steven Michael  
AON Risk Services, Inc. of  
Illinois  
Berrian Insurance Group, Inc.  
Brown & Brown Insurance of  
San Diego  
Brunken, Jeffrey Dale  
Cameron M. Harris & Com-  
pany  
Coons, Mark Marcellus  
Crump Financial Services,  
Inc.  
DGI Transportation, Inc.  
Diversified Insurance Brokers  
of Utah, Inc.  
Dritz, Ryan Peter  
Evergreen General Agency,  
Inc.  
Evolution Insurance Brokers of  
California, Inc.  
Gable, Jan Robert  
Galloway, John Duncan  
Garza, Frank Duane III  
Giandomencio, Albert  
Anthony  
Gray, Linden Hesford  
Guild Napa Insurance Services,  
Inc.  
Harb, Lawrence Easa  
Hayward, Scott Kincaid  
Hess, Michael Steven  
IMA of Kansas, Inc.  
Indemnity Excess & Surplus  
Agency, Inc.  
Insurance Innovators, Incor-  
porated  
James, Med David III  
Jean Mae Rose Partnership  
Johnson, Alford Lee  
Joyal, Gary John  
Kerwick and Curren Inc.*

*Kink, Richard Vincent  
Lemme Insurance Group, Inc.  
LIU Specialty Agency Inc  
Losee, Michelle Eileen  
Magliaro, Edward Anthony  
MGS P&C, Inc.  
Mohen, Lisa Anne  
NAPCO, LLC  
Newsura Insurance Services,  
Inc.  
Parnell, Keith Bryan  
Parsons, James Likness  
Percy, James Clifford  
Phillips, Albert Daniel  
Pope, William Leroy  
Pro-Mark Professional Market-  
ing & Insurance Services, Inc.  
R. J. Bostick & Associates,  
Inc.  
Renner, Alison Joy  
S. H. Smith & Company, Inc.  
S.H. Smith Insurance Agency,  
of Massachusetts Inc.  
Safe Fleet Insurance Services,  
Inc.  
Schneider, Robert Alfred  
Silverman, Andrew Jay  
Singleton, Susan Leigh  
Starich, John Charles  
Staub, William Donald  
Tennant Risk Services Insur-  
ance Agency, LLC  
Thompson, Frank Bennie  
USG Insurance Services of  
California, Inc.  
Vista Insurance Partners of  
Illinois, Inc.  
Wachovia Insurance Services,  
Inc.  
West, William Ray*

## PRESENTATION BY THE UK FINANCIAL SERVICES AUTHORITY



Left to right, Jerry Sullivan, Woody Girion, Toby Wallis, and Tom Mahoney.

Left to right, SLA financial analysis staff persons Christina Cook, Aireen de Leon, Anh Tran, and SLA Financial Manager Linda Cheng.

Left to right, FSA officials Tom Mahoney and Toby Wallis.

Left to right, Kendel Lyman, Woody Girion and Jerry Sullivan.

### *UK Financial Services Authority Describes Insurer Solvency Regulation*

The SLA staff received training in the new and evolving methods of insurer solvency regulation conducted by the United Kingdom's Financial Services Authority (FSA). Regulators from the FSA general insurance department (now the official regulatory agency for Lloyd's and the London market) educated the SLA financial analy-

sis staff in their methodology for solvency regulation.

The all-day seminar held June 11 in San Francisco was organized by Jerry Sullivan of Gerald J. Sullivan & Associates, Inc. and conducted by two FSA regulators flown in from London. The FSA presenters, Toby Wallis of the FSA Lloyd's Team and Tom Mahoney of the FSA Wholesale Firms Division educated the SLA in

the FSA procedures essential to understanding regulation of the London market. A presentation was also provided by Woody Girion, Chief of the California Department of Insurance Financial Analysis Division (FAD). Several FAD officials were also the audience as were stamping office managers Kendel Lyman, Larry Boyd and Phil Ballinger of Washington, Oregon and Texas respectively.

## Member Profile



**Raymond A. Williams**  
Senior Vice President  
HEATH Insurance Brokers

Raymond Williams, a property broker for Heath Insurance Brokers Inc. in San Francisco, has extensive experience as a wholesale and retail insurance

broker. Raymond began his career in 1967 as an underwriter for Chubb Corporation in New York, New York. He then joined the Underwriting Division of AIG in 1969. Raymond entered the field of retail insurance brokering with a move to Los Angeles to work as a marketer from 1971-1979, continuing with Rollins, Burdick, + Hunter (AON) from 1987-1990, and F.B. Hall from 1990-1991. Raymond began wholesale brokering for Swett & Crawford from 1979-1985, continuing with Crouse and Associates from 1985-

1987 and Brown & Riding from 1991-1993. His career with Heath Insurance Brokers started in 1993 and he currently works as a property wholesaler managing their diverse book of business.

Health Insurance Brokers is ranked among the top five largest specialty lines insurance brokers in the U.S. Founded in 1992, the company has grown to include 350 insurance professionals in 14 offices across the country and placed nearly \$1 billion in gross premium last year.

## *Helpful Hints on Completing the Diligent Search Report, SL2*

On June 16, 2004, SLA Bulletin #1038 introduced the revised Diligent Search Report (or SL-2 form) from the California Department of Insurance. Due to the high volume of tags generated by the SL-2, the new form addresses some of the problem areas by highlighting or adding text.

Here are some of the recurring problems and helpful hints to complete the form correctly:

**Problem:** Section 1 shows the name of the agency.

**Helpful Hint:** Section 1 should show the first and last name of the individual licensee who completed or supervised the diligent search.

**Problem:** Section 1(A) and Section 1(B) is completed.

**Helpful Hint:** Enter either the individual license number or the organizational name and license number, but not both.

**Problem:** Section 2(C) Description of Risk shows the type of coverage.

**Helpful Hint:** State what the risk is, or what is being covered. (Unacceptable answers include: professional liability, personal articles floater.)

**Problem:** Section 2(D) Location of Risk does not show street address.

**Helpful Hint:** Enter full street address, city and state for risk location.

**Problem:** Section 6(A) does not provide a description of the diligent search.

**Helpful Hint:** Did your response describe how the search was performed? (Unacceptable answers that have been submitted: see below, tried really hard, searched and searched, renewal.)

**Additional Hint:** A diligent search should be performed for all new, renewal and extension endorsements with the exception of coverage on the Export List.

**Problem:** Section 7(A) is checked 'Yes', but Section 7(B) is not fully completed.

**Helpful Hint:** If section 7(A) is checked 'Yes', all sections of 7(B) should be completed; full name of insurer and or first part of insurer name and NAIC # (be sure the NAIC# corresponds to name).

**Additional Hint:** Enter the first and last name of company rep-

resentative.

**Additional Hint:** Month and year of declination should reflect a current search; search date should be prior to the effective date of policy.

If you have any questions on the Diligent Search Report or would like to schedule on-site training for your staff, please call us at (415) 434-4900.

**Top 100 California Surplus Line Brokers  
Based on Premium Processed by the SLA Through June 30, 2004**

Rank	Broker	Premium Processed (000)	% of Total
1	Swett & Crawford	\$240,110	8.93%
2	Marsh USA Inc.	215,359	8.01%
3	Western Risk Specialists, Inc.	199,760	7.43%
4	AON Risk Services, Inc. Of So. CA Ins. Services	102,222	3.80%
5	American E & S Ins. Brokers Of CA, Inc.	88,431	3.29%
6	Sterling West Insurance Services, Inc.	83,809	3.12%
7	MTS Insurance Services, LLC.	65,629	2.44%
8	Heath Insurance Brokers Inc.	61,102	2.27%
9	Lemac & Associates, Inc	56,075	2.09%
10	Worldwide Facilities, Inc.	54,057	2.01%
11	International E & S Insurance Brokers, Inc.	52,002	1.93%
12	Stewart Smith East, Inc.	47,972	1.78%
13	Navigators California Insurance Services, Inc.	47,861	1.78%
14	Bliss & Glennon, Inc.	47,846	1.78%
15	Burns & Wilcox Insurance Services, Inc.	46,855	1.74%
16	Cooney, Rikard & Curtin Ins. Serv. Of CA, LLC	44,041	1.64%
17	Brown & Riding Insurance Services, Inc.	41,778	1.55%
18	Tri-City Brokerage, Inc.	41,058	1.53%
19	First State Management Group, Inc.	36,959	1.37%
20	Arthur J. Gallagher & Co. Ins. Brokers Of CA, Inc. (SF)	36,898	1.37%
21	Partners Specialty Group, LLC	32,790	1.22%
22	Crouse & Associates Ins. Services Of N. CA,	31,788	1.18%
23	Lockton Insurance Brokers, Inc.	26,754	0.99%
24	ECM Insurance Services, Inc	25,946	0.96%
25	Risk Placement Services Insurances Brokers	24,779	0.92%
26	Yates & Associates Insurance Services, Inc.	24,386	0.91%
27	Zurich E&S Insurance Brokerage, Inc	23,982	0.89%
28	Woodruff-Sawyer & Company	23,505	0.87%
29	Monarch E & S Insurance Services	23,144	0.86%
30	Roks America, Inc. Insurance Brokers	22,268	0.83%
31	Willis Insurance Services Of California, Inc	21,470	0.80%
32	Pacific Wholesale Brokers, LLC	20,870	0.78%
33	M.J. Hall & Company, Inc.	19,412	0.72%
34	Harry W. Gorst Company, Inc	18,359	0.68%
35	Aon/Albert G. Ruben Insurance Services, Inc.	17,805	0.66%
36	Carpenter & Moore Insurance Services Inc.	17,331	0.64%
37	Professional Practice Insurance Brokers, Inc	16,744	0.62%
38	AIS Affinity Insurance Agency, Inc.	16,133	0.60%
39	W. Brown & Associates Property & Casualty Ins. Services	15,866	0.59%
40	Hull & Company	15,256	0.57%

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The Surplus Line Association of California

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Rank	Broker	Premium Processed (000)	% of Total
41	Trinity E & S Insurance Services, Inc.	14,920	0.55%
42	Commodore Insurance Services, Inc.	13,948	0.52%
43	Crump E&S Of San Francisco Insurance Services, Inc	13,779	0.51%
44	SBIB, Inc	13,761	0.51%
45	Coastal Brokers Insurance Services Inc.	13,487	0.50%
46	R.E. Chaix & Associates Insurance Brokers, Inc.	12,938	0.48%
47	Driver Alliant Insurance Services, Inc	12,339	0.46%
48	Aon Risk Services, Inc. Of Northern California Ins. Services	12,318	0.46%
49	Crawley Warren Insurance Services, Inc.	12,024	0.45%
50	Petersen International Underwriters	11,886	0.44%
51	Cambridge General Agency	11,700	0.44%
52	Neitclem Wholesale Insurance Brokerage, Inc.	11,150	0.41%
53	Western Security Surplus Insurance Brokers, Inc.	9,686	0.36%
54	Nas Insurance Services, Inc.	9,682	0.36%
55	Hull & Company (California) Inc.	9,470	0.35%
56	Anderson & Murison Inc.	8,949	0.33%
57	Integrated Risk Solutions Insurance Services, LLC.	8,724	0.32%
58	Crump E&S Of California Insurance Services, Inc.	8,690	0.32%
59	Vulcan Excess & Surplus Insurance Services, Inc.	8,545	0.32%
60	Willis Of New York Inc.	7,561	0.28%
61	Excess & Surplus Lines Insurance Brokers, Inc.	7,200	0.27%
62	All Risks, Ltd.	7,187	0.27%
63	James Klein Insurance Service Inc.	7,185	0.27%
64	Dealey, Renton & Associates Insurance Broker	7,147	0.27%
65	Richter/Robb Pacific Insurance Services, Inc	7,120	0.26%
66	Black, White & Associates Insurance Brokers	7,081	0.26%
67	Western Re/Managers Insurance Services, Inc	6,754	0.25%
68	Alexander, Morford & Woo, Inc.	6,632	0.25%
69	Sunderland Insurance Services, Inc.	6,006	0.22%
70	USI Of Southern California Insurance Services, Inc.	5,996	0.22%
71	Trans Cal Associates	5,761	0.21%
72	G.J. Sullivan Co. Excess & Surplus Lines Brokers	5,589	0.21%
73	American E & S Insurance Brokers Of Ca, Inc. (San Diego)	5,528	0.21%
74	Hub International Of California, Inc.	5,326	0.20%
75	Erickson, Lisa Ann	5,223	0.19%
76	Abd Insurance And Financial Services	5,130	0.19%
77	Bass Underwriters, Inc.	5,110	0.19%
78	London American General Agency, Inc.	5,092	0.19%
79	Canon Insurance Service	5,027	0.19%
80	Abram, Ronald Alan	5,007	0.19%
81	W. B. Ahern Enterprises, Inc.	4,764	0.18%

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Rank	Broker	Premium Processed (000)	% of Total
82	National Advantage Insurance Services, Inc.	4,330	0.16%
83	HDR Insurance Managers, LLC.	4,226	0.16%
84	Prowest Insurance Services, Inc..	3,956	0.15%
85	Seabury & Smith	3,924	0.15%
86	Dewitt Stern Of California, LLC.	3,875	0.14%
87	Smith, Jackie Wayne	3,869	0.14%
88	Dwyer & Associates Insurance Services, Inc.	3,859	0.14%
89	Interwest Insurance Services, Inc.	3,851	0.14%
90	Western Marine Insurance Service Corporation	3,800	0.14%
91	Clemente, Dennis Lacson	3,681	0.14%
92	Acordia Of California Insurance Services, Inc.	3,625	0.13%
93	Sovereign General Insurance Services, Inc.	3,579	0.13%
94	Harborview Insurance Services, Inc.	3,522	0.13%
95	Herbert H. Landy Insurance Agency, Inc.	3,418	0.13%
96	Frank Crystal & Co Inc.	3,375	0.13%
97	George Rothert & Associates, Inc.	3,262	0.12%
98	E.L.M. Insurance Brokers, Inc.	3,260	0.12%
99	Todd R. Soll Insurance Services, Inc.	3,180	0.12%
100	New Age Brokerage, Inc.	3,166	0.12%
	<b>Subtotal</b>	\$2,469,595	91.84%
	All Other Brokers	219,529	8.16%
	<b>Total</b>	\$2,689,124	100.00%

Premium Totals by Company Type				
Company Type	(\$000) 6/30/2004	(\$000) 6/30/2003	% Growth	% of Total 2004
LESLI Listed Companies:				
Foreign Insurers	2,188,966	1,932,026	13.30%	81.40%
Lloyd's	363,848	299,676	12.41%	13.53%
Alien Insurers	97,070	102,737	-5.52%	3.61%
<b>Subtotal</b>	<b>2,649,884</b>	<b>2,334,439</b>	13.51%	98.54%
All others	39,239	42,632	-7.96%	1.46%
<b>Total</b>	<b>2,689,123</b>	<b>2,377,07</b>	13.13%	100.00%



E = EXPORT

<b>40 Largest Coverages Based on Premium Processed by the SLA Through the 2nd Quarter Of 2004</b>				
<b>Rank</b>		<b>Coverage</b>	<b>Premium Processed (000)</b>	<b>% of Total</b>
1		General Liability	\$957,668	35.61%
2		Errors And Omissions	270,927	10.07%
3		All Risk Commercial Property	214,640	7.98%
4	E	Commercial Dic/Stand Alone Earthquake	211,505	7.87%
5		Excess Liability	157,604	5.86%
6		Directors And Officers	114,495	4.27%
7		Special Multi-peril	111,397	4.14%
8	E	Excess Liability/Underlying Nonadmitted	76,366	2.84%
9		Professional Liability	76,169	2.83%
10	E	Indiv Insured W/Large Sched TIV > \$500m	72,390	2.69%
11	E	Contractors Engaged In New Tract Homes	58,218	2.16%
12	E	Environmental Impairment Remediation	49,434	1.84%
13	E	Employment Practices Liability	44,841	1.67%
14		Inland Marine	29,470	1.10%
15	E	Prod./Completed Operations (Stand Alone)	25,088	0.93%
16		Miscellaneous	22,002	0.82%
17		Homeowners Multi-peril	17,539	0.65%
18		Commercial Property-basic	15,376	0.57%
19		Auto Physical Damage-commercial	15,340	0.57%
20		Homeowners	15,317	0.57%
21		Aviation	15,225	0.57%
22	E	High Limits Disability	11,217	0.42%
23		All Fees	8,955	0.33%
24		Hospitals	8,492	0.32%
25		Garage Liability	8,277	0.31%
26		Single Family Dwelling/Duplex	7,928	0.29%
27	E	Security Guard Services	7,288	0.27%
28		Auto Combined Liab & Phys Damage-Comm.	6,583	0.24%
29		Auto Liability-Commercial	5,827	0.22%
30		Terrorism	5,509	0.20%
31		Special Multi-peril With Terrorism	4,551	0.17%
32		Disability Income	3,625	0.13%
33		Bonds	3,486	0.13%
34	E	Clinical & Similar Tests Of Pharmaceutical	2,671	0.10%
35	E	Demolition Contractors	2,233	0.08%
36	E	Event Cancellation	1,973	0.07%
37	E	Aviation Excess Liability	1,951	0.07%
38	E	Vacant Buildings	1,943	0.07%
39	E	Oilfield Contractors	1,941	0.07%
40	E	Amusement Parks/Carnivals/Devices	1,669	0.06%
		<b>SUBTOTAL</b>	<b>\$2,667,540</b>	<b>99.20%</b>
		All Other Coverages	21,584	0.80%
		<b>TOTAL</b>	<b>\$2,689,124</b>	<b>100.00%</b>

**Top 50 Eligible Surplus Line Insurers Based  
on Premium Processed by the SLA Through June 30, 2004**

Rank	Company	Premium Processed (000)	% of Total
1	Lexington Insurance Company	\$288,997	10.75%
2	Landmark American Insurance Company	142,675	5.31%
3	American International Specialty Lines Insurance Company	128,624	4.78%
4	Scottsdale Insurance Company	92,297	3.62%
5	Evanston Insurance Company	95,418	3.55%
6	Arch Specialty Insurance Company	91,569	3.41%
7	Steadfast Insurance Company	85,119	3.17%
8	Admiral Insurance Company	79,306	2.95%
9	NIC Insurance Company	58,274	2.17%
10	Westchester Surplus Lines Insurance Company	57,291	2.13%
11	Axis Specialty Insurance Company	55,803	2.08%
12	Illinois Union Insurance Company	54,846	2.04%
13	Mt. Hawley Insurance Company	54,772	2.04%
14	North American Capacity Insurance Company	54,768	2.04%
15	Gemini Insurance Company	47,607	1.77%
16	Essex Insurance Company	46,493	1.73%
17	Clarendon America Insurance Company	41,911	1.56%
18	Pacific Insurance Company Ltd.	40,855	1.52%
19	First Specialty Insurance Corporation	40,298	1.50%
20	American Safety Indemnity Company	39,322	1.46%
21	Everest Indemnity Comapany	39,291	1.46%
22	Lloyd's of London Syndicate # 0033	38,356	1.43%
23	Columbia Casualty Company	34,610	1.29%
24	General Star Indemnity Company	32,017	1.19%
25	Empire Indemnity Insurance Company	31,230	1.16%
26	Lloyd's of London Syndicate # 2020	29,034	1.08%
27	Lloyd's of London Syndicate # 2488	28,054	1.04%
28	Gulf Underwriters Insurance Company	26,215	0.97%
29	Houston Casualty Insurance Company	25,761	0.96%
30	Colony Insurance Company	25,340	0.94%
31	Liberty Surplus Insurance Corporation	24,579	0.91%
32	Lloyd's of London Syndicate #0623	24,392	0.91%
33	Interstate Fire & Casualty Company	24,045	0.89%
34	National Fire & Maribe Insurance Company	23,653	0.88%
35	Burlington Insurance Company	23,024	0.86%
36	Century Surety Company	22,506	0.84%
37	United National Insurance Company	22,354	0.83%
38	Lloyd's of London Syndicate # 2001	21,695	0.81%
39	Indian Harbor Insurance Company	21,016	0.78%
40	Western Heritage Insurance Company	20,192	0.75%
41	Glencoe Insurance Limited	18,215	0.68%
42	Great America E&S Insurance Company	17,553	0.65%
43	Lloyd's of London Syndicate # 2623	17,362	0.65%
44	Chubb Custom Insurance Company	17,299	0.64%

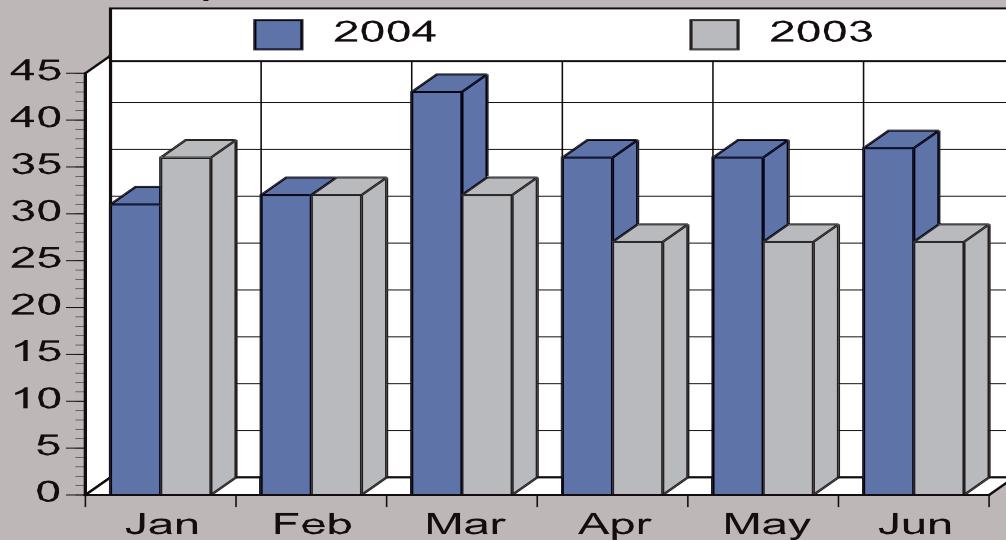
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Rank	Company	Premium Processed (000)	% of Total
45	St. Paul Surplus Lines Insurance Company	17,060	0.63%
46	Lloyd's of London Syndicate # 0510	16,981	0.63%
47	Lloyd's of London Syndicate # 2003	16,291	0.61%
48	Commonwealth Insurance Company	15,547	0.58%
49	Lloyd's of London Syndicate # 2987	14,733	0.55%
50	SR International Business Insurance Company	13,993	0.52%
<b>SUBTOTAL</b>		<b>\$2,203,641</b>	<b>85.67%</b>
All Other Companies		385,483	14.33%
<b>TOTAL</b>		<b>\$2,689,124</b>	<b>100.00%</b>

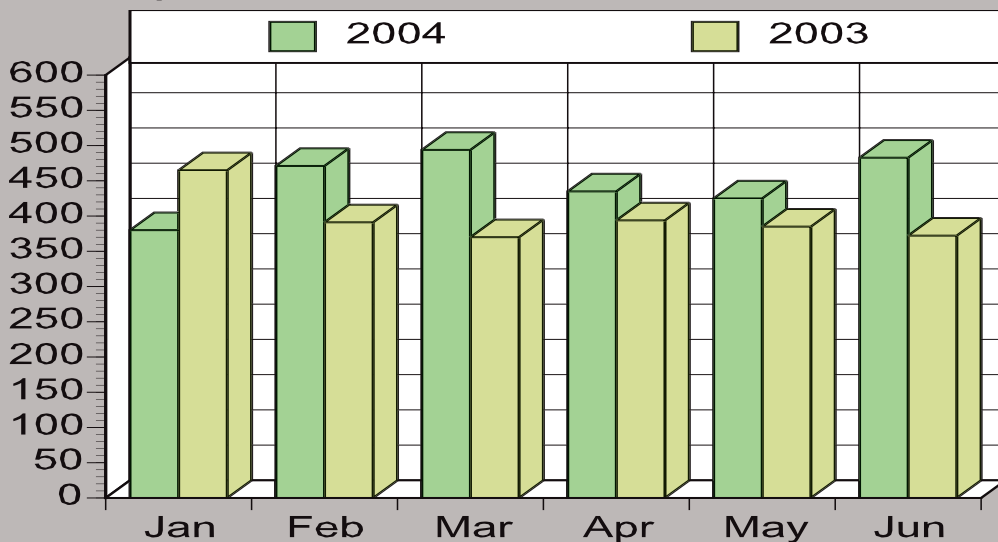
All Values Represented in Thousands

Comparison of Items Processed for 2004 Vs. 2003



All Values Represented in Millions

Comparison of Premiums Processed for 2004 Vs. 2003



## *Surplus Line Association of California*

### **Scheduled Educational Events for September 2004 - October 2004**

**ALL OUR SEMINARS ARE APPROVED FOR CA  
FIRE & CASUALTY  
BROKER-AGENTS (FX)**

#### Medical Professional Liability Insurance

Presented by: Fran O'Connell  
Shand Morahan & Company, Inc.

*Registration & Continental Breakfast 8:00 a.m.*  
Seminar 8:30 a.m. – 11:30 a.m.  
3 CE Credits – Course #152465

**Tuesday, September 14, 2004**  
Hilton Universal City & Towers  
555 Universal Hollywood Drive  
Universal City, CA 91608

**Wednesday, September 15, 2004**  
The Fairmont Hotel  
950 Mason Street  
San Francisco, CA 94108

#### New And Changing Federal And State Employment Laws You Need To Understand

Presented by: Randall J. Krause, Esq.  
YourHRdepartment.com and  
Shand Morahan & Company, Inc.

*Registration & Continental Breakfast 8:00 a.m.*  
Seminar 8:30 a.m. – 11:30 a.m.  
3 CE Credits – Course #152464

**Tuesday, October 12, 2004**  
Hilton Universal City & Towers  
555 Universal Hollywood Drive  
Universal City, CA 91608

**Wednesday, October 13, 2004**  
Hyatt Regency San Francisco  
5 Embarcadero Center  
San Francisco, CA 94111

## **August 2004**

The SLA Quarterly is published by the  
Surplus Line Association of California,  
388 Market Street, San Francisco, CA 94111  
for the members  
of the Surplus Line Association

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