THE SURPLUS LINE ASSOCIATION OF CALIFORNIA

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DECEMBER 18, 2003

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BULLETIN # 1022

RE: Export List 2004

The Honorable John Garamendi, Commissioner of Insurance has finalized and approved the Export list for 2004. The Export List represents the coverage and risk categories that can be exported to companies on the List of Eligible Surplus Line Insurers (LESLI) without having to conduct a diligent search of the admitted market (Sec. 1763.1). Enclosed is a copy of the California Department of Insurance Bulletin No. 2003-7 providing the new list. The only changes from 2003 are the addition of "Hot Air Balloon" liability insurance and greater clarification of "The Bridge Plan" and "High Limits Disability" under "General Liability".

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Theodore M. Pierce Executive Director

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STATE OF CALIFORNIA DEPARTMENT OF INSURANCE 45 FREMONT STREET SAN FRANCISCO, CA 94105

Bulletin No. 2003-7 December 9, 2003

TO: All Surplus Line Brokers, Admitted Insurers, and Other Interested Persons

SUBJECT: Export List

Pursuant to Insurance Code Section 1763.1, the Commissioner may by order declare eligible for placement with a nonadmitted insurer and exempt from all the requirements of Section 1763, except the filing of a confidential written report, any type of insurance coverage or risk for which he finds after a public hearing that there is not a reasonable or adequate market among admitted insurers.

This year the Department held a public hearing and comment period regarding the annual renewal of the list as required by the statute. After receiving comments and conducting the hearing, the Department hereby adopts the attached list which has one addition and two clarifications to the previous list. Hot Air Balloon Liability insurance has been added under "General Liability" and The Bridge Plan and High Limits Disability coverages have been clarified.

The Department reminds you that risks and coverages not appearing on this list may still be exportable but subject to the full documentation of the diligent search being performed pursuant to Insurance Code Section 1763.

A public hearing will be held annually or more often at the Commissioner's discretion regarding the attached export list. The Commissioner or his designee shall notify all surplus line brokers of any removal from the list. The contact person is Carol Frair, Senior Staff Counsel, Department of Insurance, 45 Fremont, San Francisco, CA 94105, (415) 538-4408.

JOHN GARAMENDI Insurance Commissioner

Denvir Ward

Dennis C. Ward Deputy

EXPORT LIST 2004

Automobile

Exotic/Classic/Antique Autos With a Value in Excess of \$100,000

Aviation

Aviation Excess Liability

Crime

Excess Crime Kidnap & Ransom

Disability

Bridge Plan* High Limits Disability** International Major Medical

Event Coverage

Event Cancellation

Fire & Allied Lines

Amusement Parks/Carnivals and Amusement Devices Commercial DIC/Stand Alone Earthquake Disaster Income Protection Excess Flood Explosive Manufacturing/Sales/Storage Hay in the Open Homeowners Earthquake-Excess Limits or Deductible Buyback Individual Insureds With Large Schedules Where the TIV(Total Insured Values)Are in Excess Of \$500 million Sawmills Vacant Buildings

General Liability

Ambulance Service Including Professional Liability Amusement Parks/Carnivals/Devices Blasting Contractors Building Moving Contractors Engaged In Construction of New Tract Homes And/Or New Condominiums Clinical and Similar Tests of Pharmaceutical, Medical, Biological and Other Similar Products Demolition Contractors Employment Practices Liability Environmental Impairment Remediation and Pollution Liability

Excess Liability Where Part of Underlying Is Nonadmitted Explosives Including Manufacturing/Sales/Storage **Fireworks Displays** Foster Family(occurrence based only) √Hot Air Balloon Limits That Attach In Excess of \$150 Million **Oilfield Contractors Outfitters & Guides** Patent/Trademark/Copyright Infringement Products/Completed Operations (written on a stand alone basis) Products Recall Security Guard Services Seasonal or Mobile, Concessionaires, Vendors and Fairs, with or without Liquor Liability Short Term Special Event(excluding hole-in-one-coverage) Tattoo and Body Piercing Shops

Inland Marine

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All vessels in excess of 30 feet and rated with a maximum speed of 45 mph

Any vessel with a Maximum Rated Speed in Excess of 55 mph Excess Motor Truck Cargo

Personal Articles Floaters Written On a Stand Alone Basis where the value of the schedule is in excess in of \$1,000,000 or contains a single item(s) over \$100,000

Political

Political Risks Including Expropriation, Confiscation, Unfair Calling

Prize

Prize Indemnification(excluding hole-in-one-coverage)

Professional Liability

Architects & Engineers/Condo coverage only Campaign Treasurers Creditors' Committees Tattoo and Body Piercing Shops

The items in bold are headings only and not export items in and of themselves.

The item that is underlined is a new addition to the list.

*The Bridge Plan covers 65 year old people who must wait a certain period before they can enroll in Medicare. These people either 1) failed to meet the residency requirement of Medicare and must wait 5 years to meet the residency requirement or 2) failed to enroll during the proper Medicare enrollment period and now must wait a brief period before they are eligible to enroll.

**High Limits Disability is coverage that offers benefit amounts over the admitted market maximum issue and participation limits and/or includes occupations which are not eligible through the admitted markets.