

THE SURPLUS LINE ASSOCIATION

OF CALIFORNIA

315 MONTGOMERY STREET

SAN FRANCISCO, 4

SAN FRANCISCO
TELEPHONE YUKON 6-0763
LOS ANGELES
310 SOUTH SPRING STREET
MADISON 9-2571

THOMAS A. SCADDEN
MANAGER
ROSS MURPHY
ASST. MANAGER
JOHN L. GUIDERY
ASST. MANAGER

October 8 1959

NO. 110

BULLETIN TO ALL MEMBERS:

RE: EXCESS WORKMEN'S COMPENSATION INSURANCE - NEW OR
RENEWAL BUSINESS EFFECTIVE ON OR AFTER OCTOBER 1,
1959, BUT SENT TO PRODUCING BROKER OR ASSURED
PRIOR TO OCTOBER 1, 1959

Enclosed please find exact copy of a letter written to
this office under date of October 7, 1959 by the Department of Insurance.
Will please ask that you be governed by the instructions contained in
this letter.

Thomas A. Scadden

MANAGER

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Enc. 1



STATE OF CALIFORNIA

Department of Insurance

1182 MARKET STREET
SAN FRANCISCO 2

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SURPLUS LINE
ASS'N OF CALIF.

October 7, 1959

Surplus Line Association of California
315 Montgomery Street
San Francisco 4, California

Attention: Mr. Thomas A. Scadden

SUBJECT: Workmen's Compensation Insurance.

Gentlemen:

Following our recent telephone conversations we have further reviewed the questions asked as to whether the increase in the Deductible for excess workmen's compensation insurance to \$21,000, effective October 1, 1959, applies to policies with renewal dates after said October 1, but which had been sent out by the surplus line broker prior to such date.

It is our conclusion that the amended requirements of Rule XV, of the California Workmen's Compensation Insurance Manual, are applicable to all excess workmen's compensation insurance policies with a renewal date on or after October 1, 1959.

Section 4 of Rule III of said Manual requires the policy to contain a provision binding the employer to any changes in rates required by later promulgations of the Insurance Commissioner.

Section 6 of Rule I specifically provides that all amendments to the Manual shall be applied as of the first "normal anniversary rating date" following the promulgation of the amendment.

Section 2 of Rule VII of the Manual defines the term "normal anniversary rating date" to be the expiration date of the existing policy except under certain circumstances explained in said Manual.

The Surplus Line Association
October 7, 1959
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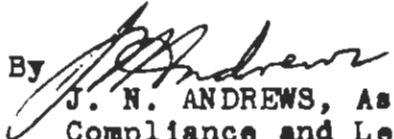
SURPLUS LINE
ASSOCIATION OF CALIF.

In view of the foregoing, the conclusion is inescapable that any excess workmen's compensation policy effective on or after October 1, 1959 must contain the \$21,000 Deductible irrespective of when the renewal policy may have been sent to the producing agent or broker, or to the insured.

Very truly yours,

F. BRITTON McCONNELL
Insurance Commissioner

By


J. N. ANDREWS, Assistant Chief
Compliance and Legal Division

JNA:ce