THE SURPLUS LINE ASSOCIATION OF CALIFORNIA 50 California Street, 18th Floor San Francisco, CA 94111

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BULLETIN #1133

EXPORT LIST

The California Department of Insurance (CDI) is planning to hold their annual public hearing on the Export List this fall. The date has not yet been determined. The hearing will discuss the coverage and risk categories that can be exported to insurance companies on the List of Eligible Surplus Line Insurers (LESLI) without having to conduct a diligent search of the admitted market as described in California Insurance Code Sections 1763 and 1763.1.

As you know, Surplus Line Brokers who transact surplus line policies must ensure a diligent search of the admitted market and supervise or complete the SL-2 form (Diligent Search Report) which describes the diligent search that was conducted. While the diligent search may be performed by the surplus line broker or retail producer, in either case, the surplus line broker is responsible to ensure that a search is made and a copy of the SL-2 form is filed with the SLA within 60 days of the placement of coverage. However, when executing policies for coverage or risk categories that appear on the Export List (Sec. 1763.1), surplus line brokers are exempt from having to supervise or conduct the diligent search and thus do not need to complete SL-2 form nor include this information in their SLA filing.

If you have a suggestion for an addition to the Export List and can substantiate your claim that the added item is not available in the admitted market, the SLA will submit testimony on your behalf to the CDI at the fall hearing. Your requested addition must be accompanied by supporting evidence substantiating the lack of an adequate or reasonable admitted market. Specifically, the evidence should provide first hand written testimony substantiating that the coverage or risk in question is generally unavailable in the admitted market. In addition, please provide written declinations from admitted carriers stating that they are unwilling to underwrite policies for a specific coverage or risk. The evidence must be of a compelling nature that gives the CDI assurances that the entire spectrum of California admitted carriers known for writing the same type of coverage or risk have been surveyed by the surplus line broker.

If you want the SLA to testify on your behalf, **please forward the information described above to Ted Pierce**, **Executive Director, within 30 days**. The SLA will issue a bulletin at least 30 days prior to the hearing listing the items proposed as additions to the List. Enclosed is a current copy of the Export List for your review.

Sincerely,

Thurden M. Dim

Theodore M. Pierce, Executive Director

California Department of Insurance Export List

Export List Item Export List Code ACCIDENT/DISABILITY BRIDGE PLAN* 707 HIGH LIMITS DISABILITY** 706 INTERNATIONAL MAJOR MEDICAL 705 SHORT TERM MEDIA/ENTERTAINMENT FAILURE TO SURVIVE FOR \$5 MILLION AND OVER 708 (FILM/ENTERTAINMENT PRODUCTIONS) **AUTOMOBILES** EXOTIC/CLASSIC/ANTIQUE AUTOS 52 **AVIATION** AVIATION EXCESS LIABILITY 586 SHORT TERM MEDIA/ENTERTAINMENT NON OWNED CONTINGENT AIRCRAFT LIABILITY 590 CRIME EXCESS CRIME 152 KIDNAP AND RANSOM 153 **FIRE & ALLIED LINES** AMUSEMENT PARKS/CARNIVALS 405 COMMERCIAL DIC/STAND ALONE EARTHQUAKE 406 DISASTER INCOME PROTECTION 415 EXCESS FLOOD 413 EXPLOSIVE INC MFG/SALES/STORAGE 407 HAY IN THE OPEN 412 HOMEOWNERS EQ/EXCESS LIMITS OR DEDUCTIBLE BUYBACK 408 INDIV INSURED W/LARGE SCHED TIV > \$500M 409 SAWMILLS 411 VACANT BUILDINGS 410 **GENERAL LIABILITY** AMBULANCE SERVICES INC. PROF LIABILITY 561 AMUSEMENT PARKS/CARNIVALS/DEVICES 562 BLASTING CONTRACTORS 563 BUILDING MOVING 564 CLINICAL & SIMILAR TESTS OF PHARMACEUTICAL, MEDICAL, BIOLOGICAL & OTHER 565 SIMILAR PRODUCTS CONTRACTORS ENGAGED IN NEW TRACT HOMES 566 **CRANE & RIGGING CONTRACTORS** 591 DEMOLITION CONTRACTORS 567 EMPLOYMENT PRACTICES LIABILITY 569 ENVIRONMENTAL IMPAIRMENT REMEDIATION & POLLUTION LIABILITY 568 EXCESS LIABILITY/UNDERLYING NONADMITTED 582 EXPLOSIVES MFG/SALES/STORAGE 570 FIREWORKS DISPLAYS 571 FOSTER FAMILY (OCCURRENCE BASED ONLY) 588 HOT AIR BALLOON 589

LIMITS THAT ATTACH IN EXCESS OF \$150M

573

California Department of Insurance Export List

Export List Item

Export List Code

GENERAL LIABILITY	
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OUTFITTERS AND GUIDES	579
PATENT/TRADEMARK/COPYRIGHT INFRINGEMENT	572
PRODUCTS RECALL	576
PRODUCTS/COMPLETED OPERATIONS(STAND ALONE)	575
SEASONAL OR MOBILE FAIRS, CONCESSIONAIRES AND VENDORS, INCLUDING LIQUOR	587
LIABILITY	
SECURITY GUARD SERVICES	581
SHORT TERM MEDIA/ENTERTAINMENT RAILROAD PROTECTIVE LIABILITY (FILM/ENTERTAIN-	592
MENT PRODUCTIONS)	
SHORT TERM SPECIAL EVENTS (EXC HOLE IN ONE)	580
TATTOO AND BODY PIERCING	583
INLAND MARINE	
ALL VESSELS IN EXC OF 30 FT/MAX SPD 45MP	454
ANY VESSEL/MAX SPEED IN EXC 55 MPH	452
EXCESS MOTOR TRUCK CARGO	451
PERSONAL ARTICLES FLOATERS WRITTEN ON A STAND ALONE BASIS WHERE THE VALUE OF	453
THE SCHEDULE IS IN EXCESS OF \$1M OR CONTAINS A SINGLE ITEM(S) OVER \$100,000	
MISCELLANEOUS	
EVENT CANCELLATION	656
POLITICAL RISKS INCLUD EXPROPRIATION, CONFISCATION, UNFAIR CALLING	655
PRIZE INDEMNIFICATION (EXCL HOLE IN ONE)	657
PROFESSIONAL LIABILITY/ERRORS & OMISSION	
ARCHITECTS AND ENGINEERS/CONDO COV ONLY	577
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CREDITORS COMMITTEES	584
TATTOO AND BODY PIERCING SHOP	585

*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.