

THE SURPLUS LINE ASSOCIATION

OF CALIFORNIA

JOHN L. GUIDERY
MANAGER

A. L. LATHROP
ASST. MANAGER

315 MONTGOMERY STREET

SAN FRANCISCO, 4

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

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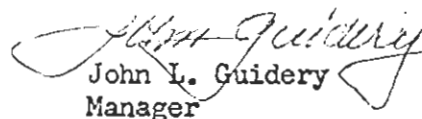
BULLETIN TO ALL MEMBERS

RE: CALIFORNIA AUTOMOBILE FINANCIAL RESPONSIBILITY LAW -
PEERLESS BOND - ERRORS & OMISSIONS CONTRACT

As you know, an elaborate procedure was set up in 1948 to enable Surplus Line brokers to provide automobile coverage, written in Lloyds, which would fully comply with the California Automobile Financial Responsibility Laws. The automobile premium volume was substantial for many years. For example, in 1948, a total of \$1,586,154 and in 1951, \$1,552 was exported, most of which was reported under the Peerless bond.

However, writings have dropped drastically during recent years, particularly following curtailment of automobile liability contracts by London, and currently only two offices are reporting any activity, and their combined premium volume during the past year is slightly in excess of \$20,000.

It is apparent that continuance of the Peerless bond and of the Errors & Omissions contract will serve no useful purpose and therefore they will not be renewed upon their expiration this year.


John L. Guidery
Manager

JLG:dd