

# THE SURPLUS LINE ASSOCIATION

OF CALIFORNIA

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July 20, 1972

NO. 327

BULLETIN TO ALL MEMBERS

RE: Exemption from Limitations on  
Cancellation and Non-Renewal

The attached Ruling No. 180 sets forth the exemptions from the limitations on cancellation and non-renewal provisions. The intention is to grant exemption for large personal property and all animal mortality risks.

These exemptions apply to insurance afforded by admitted companies as well as to business placed by surplus line brokers.



A. L. Lathrop  
Manager

Enc.

STATE OF CALIFORNIA  
DEPARTMENT OF INSURANCE  
1407 Market Street  
San Francisco, California 94103

In the Matter of Proposed Rules )  
and Regulations of the Insurance )  
Commissioner relating to: )  
)  
Exemption of Specified Risks from )  
Provisions of the Insurance Code )  
Limiting Insurers' Rights of )  
Cancellation and Nonrenewal of )  
Certain Insurance Policies. )  
\_\_\_\_\_ )

RULING NO. 180

FILE NO. RH-144

DECISION

The following Proposed Decision of Lawrence C. Baker, Jr., Chief Deputy Insurance Commissioner, is hereby adopted by the Insurance Commissioner of the State of California as his Decision in the above-entitled matter.

IT IS SO ORDERED this 5th day of July, 1972.

  
RICHARDS D. BARGER  
Insurance Commissioner

PROPOSED DECISION

In accordance with Notice published pursuant to law, the above-entitled matter came on regularly for hearing before Lawrence C. Baker, Jr., Chief Deputy Insurance Commissioner, at the office of the Insurance Commissioner at 1407 Market Street, San Francisco, California, on Tuesday, April 18, 1972, at which place and time exhibits were received and statements, arguments and contentions, both written and oral, were adduced. At the conclusion of the hearing on the same date the record was held opened for 30 days for the submission of additional written arguments at the end of which period the written record was closed and the matter submitted for decision thereon.

The matter having been duly heard and considered, the following Order is hereby made.

-Over-

ORDER

IT IS ORDERED, by virtue of the authority vested on the Insurance Commissioner by Section 670.6 of Chapter 11, Part 1, Division 1, of the Insurance Code of the State of California that the rules and regulations stated below be adopted as the rules and regulations of the Insurance Commissioner as Article 13, Subchapter 3, Chapter 5, Title 10 of the California Administrative Code, Exemption from Limitations on Cancellation and Nonrenewal of Coverage.

Exemption from Limitations on Cancellation and Nonrenewal  
of Coverage.

2550. Exemptions.

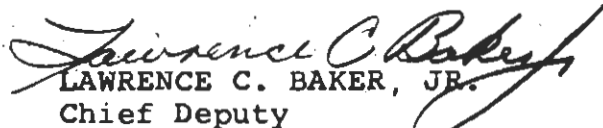
(a) Insurance in respect to any risk or class of risks described in (b) and (c) is exempt from those provisions of Chapter 11, Part 1, Division 1, of the Insurance Code (commencing with Section 675) other than Section 679.6.

(b) The exemption granted in (a) shall apply to insurance (whether on an all-risks basis or a named perils basis) against loss of or damage to personal property under scheduled or blanket personal property floaters whether written separately or as a supplemental contract or endorsement when the aggregate amount of insurance on the schedule or policy exceeds \$25,000 or when a single risk exceeds \$5,000.

(c) The exemption granted in (a) shall apply to all animal mortality policies.

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CERTIFICATION

I, Lawrence C. Baker, Jr., do hereby certify that this is my Proposed Decision in the above-entitled matter.

  
LAWRENCE C. BAKER, JR.  
Chief Deputy  
Insurance Commissioner

July 5, 1972