

**THE SURPLUS LINE ASSOCIATION**  
OF CALIFORNIA

A. D. FREEMAN, JR.  
MANAGER

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February 23, 1987

No. 416

BULLETIN TO ALL MEMBERS

RE: Insurance Exchange of the Americas - Miami, Florida

We recently received the enclosed letter from the California Department of Insurance dated February 18, 1987 and are forwarding it to you for your information and guidance.

The substance of the enclosed letter is as follows:

"we hereby formally advise that the member syndicates of the Insurance Exchange of the Americas, Miami, Florida, are no longer acceptable as security for California exportations thereto, and your membership is advised to replace whatever coverage may presently be underwritten in the syndicates of this Exchange just as expeditiously as possible."



A. D. Freeman, Jr.  
Manager

ADF:je  
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## DEPARTMENT OF INSURANCE

100 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102

February 13, 1987

A. D. Freeman, Jr., Manager  
The Surplus Line Association of California  
333 Market Street  
San Francisco, CA 94105SUBJECT: Insurance Exchange of the Americas - Miami, Florida  
Presently Not Acceptable for California Surplus  
Lines Exportations

Dear Mr. Freeman:

This office is indebted to you for receipt of a newspaper article from the Journal of Commerce of Monday, February 9, 1987, reporting that the Insurance Exchange of the Americas has been urged by Florida Insurance Commissioner William Gunter to cease writing insurance policies until his staff can assess the size of the Exchange losses.

Commissioner Gunter is quoted as advising that the Exchange must, at this point, cease further writings and cut off any more exposure to risks until his office can assess its chances of survival. The article further indicates that Commissioner Gunter is uncertain whether he has authority to close the Exchange should his investigators discover evidence of fraud or insolvency thereof.

The substance of this article is really sufficient for this Department and certainly should provide basis for an overabundance of caution for your membership. Nevertheless, for the more adventuresome and unwary in your clan, "we hereby formally advise that the member syndicates of the Insurance Exchange of the Americas, Miami, Florida, are no longer acceptable as security for California exportations thereto, and your membership is advised to replace whatever coverage may presently be underwritten in the syndicates of this Exchange just as expeditiously as possible."

Very truly yours,

JOHN J. FABER  
Chief Counsel  
(415) 557-0763

JJF:ams - Doc. #9570g

cc: A. Gershaneck, Chief  
Reinsurance Bureau