



THE SURPLUS LINE ASSOCIATION
OF CALIFORNIA

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September 13, 1990

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Bulletin #453

BULLETIN TO ALL MEMBERS:

Re: **Exportability of Private Passenger Automobile Minimum
Liability Coverage Required by Vehicle Code Section 16056**

On September 12, 1990, the Insurance Department stipulated that it will not implement the August 29, 1990 letter to Art Freeman (Attached to Association Bulletin #452, dated August 30, 1990) regarding the above-captioned subject pending the outcome of the next hearing in Los Angeles County Superior Court Case No. BC010105 (Cowan Surplus Line Insurance Services, Inc. v. State of California, et al.). Attached hereto is a copy of the Minute Order from the court. The next hearing in that lawsuit is set for November 20, 1990, 9:00 A. M. in Department 88 (Judge Janavs) of Los Angeles County Superior Court.

For further information on the Department's position, we suggest that you direct your inquiries to Jack T. Kerry, Deputy Attorney General at (213) 736-2304 or Dana Brooks of Rubenstein & Perry (213) 487-4769, who represent the Department of Insurance and the Insurance Commissioner, respectively.

We remind all members that, notwithstanding the Department's stipulation in that lawsuit, the eligibility of any risk for surplus line placement must be determined in accordance with Surplus Line Law (see especially section 1763 of the Insurance Code) and that the ultimate responsibility for determining exportability lies with each individual surplus line broker.

Very truly yours,

A. D. Freeman, Jr.
Manager

ADF:jkv

Enclosure

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

DEPT. 88

DATE September 12, 1990

HONORABLE DZINTRA I. JANAVS JUDGE

C. HUDSON, DEPUTY CLERK

HONORABLE JUDGE PRO TEM

G. V. WILBY, Reporter (Parties and counsel checked if present)

4 Deputy Sheriff

TYPED

COWAN

BC 010105
Crown Surplus Line Insurance Services, Inc.,
vs.
The State of California,
et al.

Counsel for Plaintiff: Paul D. Hesse (X), Robert M. Beswick (XO)
Counsel for Defendant: Jack T. Kerry (X), Dani Carli Brooks (X)

COWAN

NATURE OF PROCEEDINGS

Plaintiff Crown Surplus Line Insurance Services, Inc.'s Ex parte Application for Temporary Restraining Order and OSG Re Preliminary Injunction

Ex Parte Application for TRO is denied on the representation of Counsel for the Commissioner that no action will be taken to implement the 8/29/90 letter/bulletin pending a hearing on petitioner's Petition for Mandamus relief.

Hearing on the Petition for Writ of Mandamus is set for 11/20/90 at 9:00 a.m.

Petitioner shall file supplemental declarations, if any, by 10/10/90. Defendants' opposing papers shall be due 10/26/90. Reply, if any, shall be filed 11/9/90. All papers, shall be filed by 4:30 p.m. on the day they are due.

It is stipulated that stipulated that Commissioner may hear of this matter as Judge Pro Tem (by moving party/responding party)

Form with checkboxes for: TRANSFERRED TO/FROM DEPARTMENT, OFF CALENDAR, CONTINUED TO, MOTION, DEMURRER, JUDGMENT, NOTICE, PETITIONER(S) IS/ARE SWORN AND TESTIFIED/TESTIFY, PETITION IS GRANTED (AS AMENDED), Court dispositive itself, At request of moving party, N DEPT., On oral/written stipulation, OSC Discharged, Per Ex Parte Order of, signed and taken under submission, days to amend/answer, Moving party, Responding party, Clerk, By moving party, By respondent(s), ORDER/JUDGMENT IS SIGNED AND FILED.

MINUTES ENTERED 9-12-90 COUNTY CLERK

TOTAL P.03 PAGE.003 ** TOTAL PAGE.004 **

6-119 FOR 11:30 SEP 13-1990

SEP 13 1990 10:35