



December 18, 1992

BULLETIN #538

BULLETIN TO ALL MEMBERS:

RE: PERMANENT REGULATION 2174.1-2174.14

In furtherance of our Bulletin #537, dated December 19, 1992, we specifically draw your attention to Section 2174.13. This section refers to the transition period for the required submissions by a nonadmitted insurer which has been used for California surplus line business at any time prior to November 25, 1992, the effective date of the permanent regulation. The required filings for such nonadmitted insurers must be submitted by a licensee not later than 180 calendar days after November 25, 1992, that is by May 24, 1993 (2174.4).

Please do not assume that the nonadmitted carrier(s) with which you have contact is aware of these new regulations or has arranged with another surplus line broker to make the appropriate filing. In the interest of California consumers and the nonadmitted carriers providing insurance on California risks, it is imperative that you communicate to your carrier(s) the implications of 2174 and the time restraints (180 calendar days) concerning the submission of the required documents.

James S. Pugh
Assistant Manager

JSP/imb