



February 8, 1994

BULLETIN #627

**RE: EMERGENCY DIRECTIVE REGARDING POLICIES IN AREAS AFFECTED BY
JANUARY 17,1994 EARTHQUAKE**

It is extremely important that you read this document, and familiarize yourself with the information contained therein.

Association Counsel LeBoeuf, Lamb, Greene & MacRae have kindly offered to answer any questions or provide additional information; please call John Finston, Thomas McDonald or Kenneth Schnoll at (415) 951-1100.

Assistant Manager

JSP/Ijl

Enclosure

EBOEUF, LAMB, GREENE & MACRAE

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

ONE EMBARCADERO CENTER

SAN FRANCISCO, CA 94111--3619

February 8, 1994

FOR: our Clients

FROM: LeBoeuf, Lamb, Greene & MacRae

SUBJECT:Emergency Directive Regarding Policies in Areas Affected by January 17, 1994 Earthquake

On February 1, 1994, Insurance Commissioner John Garamendi announced that he has issued an emergency directive intended to protect persons affected by the January 17, 1994 Southern California earthquake from adverse action by their insurers. A copy of the emergency directive, which is addressed to all admitted insurers, the Surplus Lines Association, producer associations and other interested persons, is attached.

The emergency directive states that it applies to all classes of insurance (and to other contracts regulated under the Insurance Code) issued, delivered or covering risks in areas subject to the earthquake state of emergency. An attachment to the directive identifies the zip code areas within Los Angeles, Orange and Ventura counties covered by the directive. The directive:

1. Extends until March 18, 1994 the time for an insured or claimant to perform any act with respect to a contract of insurance (other than communications regarding earthquake property damage claims) that was to occur on or after January 17, 1994.
2. Prohibits: (a) the cancellation or nonrenewal of any insurance contract for nonpayment of premium between January 17 and March 18, 1994, (b) the issuance of a notice of cancellation until March 19, 1994 and (c) the cancellation or nonrenewal of a policy solely due to claims from the earthquake.
3. Requires withdrawal and reissuance of notices of cancellation and nonrenewal mailed during the seven days before the earthquake, and makes any adverse action with respect to an insurance policy ineffective unless the insurer can demonstrate that the insured or claimant personally received prior notice of the proposed action. Our Clients

February 8, 1994

Page 2

4. Makes an agent not liable to the insurer for premiums not collected from qualified persons between January 17

and March 18, 1994.

5. Establishes detailed rules for policies financed by a premium finance lender.
6. Persons outside the identified zip codes may qualify for relief under the directive upon presentation of evidence supporting their claims for relief.
7. If you have any questions or would like additional information, please call John Finston, Thomas McDonald or Kenneth Schnoll at (415) 951-1100.

STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE
45 FREMONT STREET, 23RD FLOOR
SAN FRANCISCO# CA 9410S

January 31, 1994

TO: All Insurers Admitted To Transact Business in the State of California, The Surplus Lines Association, Producer Associations, and Other Interested Persons

FROM: John Garamendi Insurance Commissioner

1. This Emergency Directive applies to all insurance policies or contracts that provide coverage for any or all insurance classes referenced in California Insurance Code Section 100 and to other contracts which are subject to regulation under the California Insurance code issued, delivered, or covering risks located, in areas subject to a state of emergency proclaimed due to the 1/17/94 Southern California Earthquake.

Reference herein to "Policy" or "contract of insurance" includes all agreements regulated under the Insurance Code.

2. The primary purpose for this Emergency Directive is to provide temporary and emergency relief to persons located in areas subject to the above-referenced state of emergency who have been displaced by the loss of their homes, living quarters or other premises, or damage thereto, which has caused them to reside elsewhere on a temporary basis. This Directive is also intended to provide relief to persons who have become temporarily unemployed as the result of the 1/17/94 Southern California Earthquake. Specifically, those persons residing in the counties in the zip codes listed in attachment A, are presumed to be qualified under this section.

Residents or businesses of other zip codes may also qualify upon presentation of evidence which supports their claims to relief under this section.

3. Whenever any policy provision or law imposes upon an insured or claimant a time period for performing any act or transmitting any information or funds with respect to a contract of insurance (other than communications with respect to property damage claims arising from the earthquake), and such action was to have been taken on or after 1/17/94, the end of that time period shall be extended to the close of business on 3/18/94. No penalty or other interest provisions should accrue as the result of the extensions required herein.
4. Except as provided in Section (5) below, no insurer or other regulated entity shall between 1/17/94 and 3/18/94 cancel or nonrenew a policy or contract of insurance, that covers a qualified person in the referenced areas, for nonpayment of premium. Additionally, until 3/19/94 no insurer or other regulated entity shall issue a notice of cancellation or nonrenewal for nonpayment of premium which was due on 1/17/94 or becomes due thereafter. Furthermore, a policy may not be canceled or nonrenewed solely because of claims resulting from the Southern California Earthquake.
5. As for policies and contracts for which notices of cancellation or nonrenewal were mailed during the seven days preceding 1/17/94, all such notices shall be withdrawn and reissued to insureds in areas subject to a state of emergency. Any notice period prescribed by law or contract shall begin to run from the date the notice was

received by the insured. No cancellation, nonrenewal or other limitation or adverse action with respect to an insurance policy shall be effective, unless the insurer or other regulated entity can demonstrate that the insured or claimant has personally received prior notice of the proposed action.

6. No agent shall be liable to an insurer for premiums not actually collected from qualified persons between 1/17/94 and 3/18/94.

7. From the issuance date of this Directive, if the contract of insurance was financed by a premium finance lender, the following shall apply:

(a) Insurers that receive notice of intent to cancel and/or notice of cancellation under premium finance agreements shall, immediately upon receipt thereof, mail to the insured a notice that prominently sets forth the following statement:

"If you have been displaced through the loss of your home or damage to your home which has caused you to reside elsewhere on a temporary basis, or if you have temporarily become unemployed due to the destruction caused by the 1/17/94 Southern California Earthquake please contact your premium finance lender at once, to seek an extension of time to pay charges that are past due. At the direction of the Insurance Commissioner, this insurer will process cancellation requests, but hold all premium refunds in connection with this policy until 3/18/94 to enable rescission of the cancellation notice on account of the extraordinary circumstances attributable to the earthquake.

"If you decide that you no longer need or desire to keep the coverage provided by the insurance policy financed by your premium finance lender, please contact us at once so that we may instruct you on how to effect cancellation."

(b) In addition, the insurer shall be responsible for obtaining proof that the insured received such notice. Proof of receipt may be established through mailing by certified mail, return receipt requested, or through any other method that establishes actual receipt by the insured.

(c) Upon receipt of a notice of cancellation from the premium finance lender, the insurer will process the cancellation and confirmation from the insured that cancellation is desired, in accordance with current law.

(d) The insurer shall hold all refunds through 3/18/94 in accordance with the following:

i. If the insurer receives notice of a claim that occurred on or before 3/18/94 on the canceled policy, and the policy is reinstated as provided in subsection ii below, the time shall be extended for that claim. No claim received under a policy for which a cancellation notice was received need be processed until the policy is reinstated.

ii. If the insurer receives a request for reinstatement from the premium finance lender, the insurer shall immediately reinstate the policy with no lapse in coverage.

iii. Late charges should not be assessed for any insured who qualifies for protection under this Emergency Directive in as much as the average was due to circumstances beyond the insured's control.

iv. If the insurer has not received a reinstatement request from the premium finance lender pursuant to subsection ii above, the insurer shall issue its return premium checks to the premium finance lender no later than 3/21/94 (the next business day following 3/18/94), based upon the lender's requested cancellation date.

DATED: JAN 31, 1994
JOHN GARAMENDI
Insurance Commissioner

ATTACHMENT "A" TO EMERGENCY DIRECTIVE

LAC 90001 Los Angeles LAC 90062 Los Angeles
LAC 90002 Los Angeles LAC 90063 Los Angeles
LAC 90003 Los Angeles LAC 90064 Los Angeles
LAC 90004 Los Angeles LAC 90065 Los Angeles
LAC 90005 Los Angeles LAC 90066 Los Angeles
LAC 90006 Los Angeles LAC 90067 Los Angeles
LAC 90007 Los Angeles LAC 90068 Los Angeles
LAC 90008 Los Angeles LAC 90069 Los Angeles
LAC 90009 Los Angeles LAC 90070 Ambassador
LAC 90009 Los Angeles LAC 90070 Los Angeles
LAC 90009 LAC 90071 Los Angeles
LAC 90010 Los Angeles LAC 90072 Los Angeles
LAC 90011 Los Angeles LAC 90072 Santa Western
LAC 90012 L03 Angeles LAC 90073 Los Angeles
LAC 90013 Los Angeles LAC 90073 Veterans Administration
LAC 90014 L03 Angeles LAC 90074 Bank of America
LAC 90015 Los Angeles LAC 90075 Los Angeles
LAC 90016 L03 Angeles LAC 90076 Los Angeles
LAC 90017 Los Angeles LAC 90077 Los Angeles
LAC 90018 Los Angeles LAC 90078 Los Angeles
LAC 90019 L03 Angeles LAC 90079 Los Angeles
LAC 90020 Los Angeles LAC 90079 Textile Boxes
LAC 90021 L03 Angeles LAC 90080 Los Angeles
LAC 90022 Los Angeles LAC 90082 Los Angeles
LAC 90023 L03 Angeles LAC 90083 Los Angeles
LAC 90024 Los Angeles LAC 90084 First Interstate Bank
LAC 90025 L03 Angeles LAC 90086 Los Angeles
LAC 90026 Los Angeles LAC 90087 Los Angeles
LAC 90027 Los Angeles LAC 90088 1st Interstate Bank
LAC 90028 Los Angeles LAC 90089 University of So. Ca
LAC 90029 Los Angeles LAC 90091 Commerce
LAC 90030 Los Angeles LAC 90091 Commerce Boxes
LAC 90031 Los Angeles LAC 90091 Commerce Contract Sta
LAC 90032 Los Angeles LAC 90091 Los Angeles
LAC 90033 Los Angeles LAC 90093 Los Angeles
LAC 90034 Los Angeles LAC 90094 L03 Angeles
LAC 90035 Los Angeles LAC 90094 Playa Vista
LAC 90036 Los Angeles LAC 90096 Los Angeles
LAC 90037 Los Angeles LAC 90097 Los Angeles
LAC 90038 Los Angeles LAC 90099 Bar Code Term Annex
LAC 90039 Los Angeles LAC 90099 Los Angeles
LAC 90040 Los Angeles LAC 90201 Bell
LAC 90041 Los Angeles LAC 90209 Beverly Hills
LAC 90042 Los Angeles LAC 90210 Beverly Hills
LAC 90043 Los Angeles LAC 90211 Beverly Hills
LAC 90044 Los Angeles LAC 90212 Beverly Hills
LAC 90045 Los Angeles LAC 90213 Beverly Hills
LAC 90046 Los Angeles LAC 90220 Compton
LAC 90047 Los Angeles LAC 90221 Compton
LAC 90048 Los Angeles LAC 90222 Compton
LAC 90049 Los Angeles LAC 90223 Compton
LAC 90050 Los Angeles LAC 90224 Compton
LAC 90051 Los Angeles LAC 90224 Compton
LAC 90052 Los Angeles LAC 90224 Rancho Dominguez

LAC 90052 Postmaster LAC 90230 Culver City
LAC 90053 Federal Boxes LAC 90231 Culver City
LAC 90053 Los Angeles LAC 90232 Culver City
LAC 90054 Los Angeles LAC 90233 Culver City
LAC 90055 Los Angeles LAC 90239 Downey
LAC 90056 Los Angeles LAC 90240 Downey
LAC 90057 Los Angeles LAC 90241 Downey
LAC 90058 Los Angeles LAC 90242 Downey
LAC 90059 Los Angeles LAC 90245 El Segundo
LAC 90060 Los Angeles LAC 90247 Gardena
LAC 90061 Los Angeles LAC 90248 Gardena

LAC 90249 Gardena LAC 90606 Santa Fe Springs
LAC 90250 Hawthorne LAC 90607 Whittier
LAC 90251 Hawthorne LAC 90608 Whittier
LAC 90254 Hermosa Beach LAC 90609 Whittier
LAC 90255 Huntington Park LAC 90610 Los Nietos
LAC 90260 Lawndale LAC 90610 Whittier
LAC 90261 Lawndale LAC 90612 American SavingsLoan
LAC 90262 Lynwood LAC 90631 La Habra
LAC 90265 Malibu LAC 90637 La Mirada
LAC 90266 Manhattan
Beach LAC 90638 La Mirada
LAC 90270 Bell LAC 90639 Biola University
LAC 90272 Pacific
Palisades LAC 90640 Montebello
LAC 90274 Palos Verdes
Peninsula LAC 90650 Norwalk
LAC 90277 Redondo Beach LAC 90651 Norwalk
LAC 90278 Redondo Beach LAC 90652 Norwalk
LAC 90280 South Gate LAC 90659 Montgomery Ward
LAC 90290 Topanga LAC 90660 Pico Rivera
LAC 90291 Venice LAC 90661 Pico Rivera
LAC 90292 Venice LAC 90662 Pico Rivera
LAC 90293 Venice LAC 90665 Caseys-Carnation
LAC 90294 Venice LAC 90670 Santa Fe Springs
LAC 90295 Marina Del Rey LAC 90701 Artesia
LAC 90295 Venice LAC 90702 Artesia
LAC 90296 Playa Del Rey LAC 90703 Artesia
LAC 90296 Venice LAC 90703 Cerritos
LAC 90301 Inglewood LAC 90704 Avalon
LAC 90302 Inglewood LAC 90706 Bellflower
LAC 90303 Inglewood LAC 90707 Bellflower
LAC 90304 Inglewood LAC 90710 Harbor City
LAC 90305 Inglewood LAC 90711 Lakewood
LAC 90306 Inglewood LAC 90712 Lakewood
LAC 90307 Inglewood LAC 90713 Lakewood
LAC 90308 Inglewood LAC 90714 Lakewood
LAC 90309 Inglewood LAC 90715 Lakewood
LAC 90310 Inglewood LAC 90716 Lakewood
LAC 90311 Inglewood LAC 90717 Lomita
LAC 90312 Inglewood LAC 90723 Paramount
LAC 90313 General
Telephone LAC 90731 San Pedro

LAC 90398 Electronic
Data Systems LAC 90732 San Pedro
LAC 90401 Santa Monica LAC 90733 San Pedro
LAC 90402 Santa Monica LAC 90734 San Pedro
LAC 90403 Santa Monica LAC 90744 Wilmington
LAC 90404 Santa Monica LAC 90745 Long Beach
LAC 90405 Santa Monica LAC 90746 Long Beach
LAC 90406 Santa Monica LAC 90747 Cal State Univ DomHills
LAC 90407 Santa Monica LAC 90748 Wilmington
LAC 90408 Santa Monica LAC 90749 Carson
LAC 90409 Santa Monica LAC 90749 Long Beach
LAC 90410 Santa Monica LAC 90801 Long Beach
LAC 90411 Santa Monica LAC 90802 Long Beach
LAC 90501 Torrance LAC 90803 Long Beach
LAC 90502 Torrance LAC 90804 Long Beach
LAC 90503 Torrance LAC 90805 Long Beach
LAC 90504 Torrance LAC 90806 Long Beach
LAC 90505 Torrance LAC 90807 Long Beach
LAC 90506 Torrance LAC 90808 Long Beach
LAC 90507 Torrance LAC 90809 Long Beach
LAC 90508 Torrance LAC 90810 Long Beach
LAC 90509 Torrance LAC 90813 Long Beach
LAC 90510 Torrance LAC 90814 Long Beach
LAC 90601 Whittier LAC 90815 Long Beach
LAC 90602 Whittier LAC 90822 Long Beach
LAC 90603 Whittier LAC 90831 Long Beach
LAC 90604 Whittier LAC 90832 Long Beach
LAC 90605 Whittier LAC 90833 Long Beach

2

LAC 90834 Long Beach LAC 91128 Allstate Ins
LAC 90835 Long Beach LAC 91129 Ambassador IC Foundation
LAC 90840 Cal State Univ
Long Beach LAC 91131 World vision
LAC 90842 Department of
Gas & Water International
LAC 90844 Press Telegram LAC 91182 Fuller Theological Semin
LAC 90845 Buffums LAC 91184 Tournament Of Roses A33o
LAC 90846 McDonnell
Douglas LAC 91185 Mellon Regional Lockbox
LAC 90847 Aarp, LAC 91186 Sears Merchandise Group
LAC 90848 AARP Pharmacy LAC 91187 Mellon Financial Service
LAC 90853 Long Beach LAC 91188 Kaiser Foundation Health
LAC 90888 Foundation
Airborne Reli LAC 91189 First Chicago Service Co.
LAC 91001 Altadena LAC 91191 World Vision Inc Brm
LAC 91002 Altadena LAC 91201 Glendale
LAC 91003 Altadena LAC 91202 Glendale
LAC 91006 Arcadia LAC 91203 Glendale
LAC 91007 Arcadia LAC 91204 Glendale
LAC 91009 Duarte LAC 91205 Glendale
LAC 91010 Duarte LAC 91206 Glendale
LAC 91011 La Canada

Flintridge LAC 91207 Glendale
LAC 91012 Flintridge LAC 91208 Glendale
LAC 91012 La Canada LAC 91209 Glendale
LAC 91012 La Canada
Flintridge LAC 91210 Glendale
LAC 91016 Monrovia LAC 91210 Glendale Galleria
LAC 91017 Monrovia LAC 91214 Glendale
LAC 91020 Montrose LAC 91221 Glendale
LAC 91021 Montrose LAC 91222 Glendale
LAC 91023 La Canada LAC 91224 Glendale
LAC 91023 La Canada
Flintridge LAC 91224 La Crescenta
LAC 91023 Mount Wilson LAC 91225 Glenddle
LAC 91024 Sierra Madre LAC 91226 Glendale
LAC 91025 Sierra Madre LAC 91301 Agoura Hills
LAC 91030 South Pasadena LAC 91302 Woodland Hills
LAC 91031 South Pasadena LAC 91303 Canoga Park
LAC 91040 Sunland LAC 91304 Canoga Park
LAC 91041 Sunland LAC 91305 Canoga Park
LAC 91042 Tujunga LAC 91306 Canoga Park
LAC 91043 Tujunga LAC 91307 Canoga Park
LAC 91046 Verdugo City LAC 91308 Canoga Park
LAC 91050 Sea Pacific
Nat Bk LAC 91308 West Hills
LAC 91051 Sea Pacific
Nat Bk LAC 91309 Canoga Park
LAC 91052 LA County
Tax Collector LAC 91309 West Hills
LAC 91066 Arcadia LAC 91310 Castaic
LAC 91077 Arcadia LAC 91310 Santa Clarita
LAC 91101 Pasadena LAC 91311 Chatsworth
LAC 91102 Pasadena LAC 91316 Van Nuys
LAC 91103 Pasadena LAC 91321 Santa Clarita
LAC 91104 Pasadena LAC 91322 Newhall
LAC 91105 Pasadena LAC 91322 Santa Clarita
LAC 91106 Pasadena LAC 91324 Northridge
LAC 91107 Pasadena LAC 91325 Northridge
LAC 91108 Pasadena LAC 91326 Northridge
LAC 91109 Pasadena LAC 91327 Northridge
LAC 91114 Pasadena LAC 91327 Porter Ranch
LAC 91115 Pasadena LAC 91328 Northridge
LAC 91116 Pasadena LAC 91329 J B Lansing Co
LAC 91117 Pasadena LAC 91330 California State Univers
LAC 91118 Pasadena LAC 91331 Pacoima
LAC 91118 San Marino LAC 91333 Pacoima
LAC 91121 Avon Products LAC 91334 Arleta
LAC 91122 Bank Americard LAC 91334 Pacoima
LAC 91123 Ambassador
College LAC 91335 Reseda
LAC 91124 Ralph M
Parsons Co LAC 91337 Reseda
LAC 91125 Cal Tech LAC 91340 San Fernando
LAC 91126 Cal Tech LAC 91341 San Fernando
LAC 91127 Bank Amer

Center LAC 91342 San Fernando

LAC 91343 San Fernando LAC 91416 Van Nuys
LAC 91344 San Fernando LAC 91423 Van Nuys
LAC 91345 San Fernando LAC 91426 Encino
LAC 91346 Mission Hills LAC 91426 Van Nuys
LAC 91346 San Fernando LAC 91436 Van Nuys
LAC 91350 Santa Clarita LAC 91461 Media Zip
LAC 91351 Santa Clarita LAC 91462 Media Zip
LAC 91352 Sun Valley LAC 91463 Media Zip
LAC 91353 Sun valley LAC 91470 Blue Cross of So. Calif
LAC 91354 Santa Clarita LAC 91494 Transamerica Insurance C
LAC 91355 Santa Clarita LAC 91495 Multi-Million Sweep3take
LAC 91356 Tarzana LAC 91496 US Purchasing Corp
LAC 91357 Tarzana LAC 91497 Southern California Gas
LAC 91359 Thousand Oaks LAC 91499 Business Reply
LAC 91359 Westlake Village LAC 91501 Burbank
LAC 91361 Thousand Oaks LAC 91502 Burbank
LAC 91362 Thousand Oaks LAC 91503 Burbank
LAC 91363 State Farm LAC 91504 Burbank
LAC 91364 Woodland Hills LAC 91505 Burbank
LAC 91365 Woodland Hills LAC 91506 Burbank
LAC 91367 Woodland Hills LAC 91507 Burbank
LAC 91370 Childhelp USA LAC 91508 Burbank
LAC 91371 Pierce College LAC 91510 Burbank
LAC 91372 Calabasas LAC 91520 Lockheed
LAC 91372 Woodland Hills LAC 91521 Disney Productions
LAC 91375 Tailer Life LAC 91522 Burbank Studios
LAC 91376 Agoura LAC 91523 N B C
LAC 91376 Agoura Hills LAC 91601 North Hollywood
LAC 91380 Santa Clarita LAC 91602 North Hollywood
LAC 91380 Valencia LAC 91603 North Hollywood
LAC 91381 Santa Clarita LAC 91604 North Hollywood
LAC 91384 Santa Clarita LAC 91605 North Hollywood
LAC 91385 Magic mountain LAC 91606 North Hollywood
LAC 91385 Santa Clarita LAC 91607 North Hollywood
LAC 91385 Valencia LAC 91608 North Hollywood
LAC 91386 Canyon Country LAC 91608 Universal City
LAC 91386 Santa Clarita LAC 91609 North Hollywood
LAC 91388 Pacific Tel LAC 91610 North Hollywood
LAC 91392 San Fernando LAC 91610 Toluca Lake
LAC 91392 Sylmar LAC 91611 US Purchasing Exchange
LAC 91383 Lincoln Acres LAC 91612 US Purchasing Exchange
LAC 91393 North Hills LAC 91614 North Hollywood
LAC 91393 San Fernando LAC 91614 Studio City
LAC 91393 Sepulveda LAC 91615 North Hollywood
LAC 91394 Granada Hills LAC 91616 North Hollywood
LAC 91394 San Fernando LAC 91617 North Hollywood
LAC 91395 Mission Hills LAC 91617 Valley Village
LAC 91395 San Fernando LAC 91702 Azusa
LAC 91399 Lockheed Corp LAC 91706 Baldwin Park
LAC 91401 Van Nuys LAC 91711 Claremont
LAC 91402 Van Nuys LAC 91714 City of industry

LAC 91403 Van Nuys LAC 91715 City of Industry
LAC 91404 Van Nuys LAC 91716 City of Industry
LAC 91405 Van Nuys LAC 91722 Covina
LAC 91406 Van Nuys LAC 91723 Covina
LAC 91407 Van Nuys LAC 91724 Covina
LAC 91408 Van Nuys LAC 91731 El Monte
LAC 91409 Van Nuys LAC 91732 El Monte
LAC 91410 Van Nuys LAC 91733 El Monte
LAC 91411 Van Nuys LAC 91734 El Monte
LAC 91412 Panorama City LAC 91735 Wells Fargo Bank
LAC 91412 Van Nuys LAC 91740 Glendora
LAC 91413 Sherman Oaks LAC 91744 La Puente
LAC 91413 Van Nuys LAC 91745 La Puente
LAC 91416 Encino LAC 91746 La Puente

4

LAC 91747 La Puente ORG 90633 La Habra
LAC 91748 La Puente ORG 90680 Stanton
LAC 91749 La Puente ORG 90720 Los Alamitos
LAC 91750 La Verne ORG 90721 Los Alamitos
LAC 91754 Monterey Park ORG 90740 Seal Beach
LAC 91756 Southern
California Gas ORG 90742 Sunset Beach
LAC 91765 Pomona ORG 90743 Surfside
LAC 91766 Pomona ORG 92601 Atwood
LAC 91767 Pomona ORG 92605 Center Ave
LAC 91768 Pomona ORG 92605 Hunting-ton Beach
LAC 91769 Pomona ORG 92607 Laguna Beach
LAC 91770 Rosemead ORG 92607 Laguna Niguel
LAC 91771 So Cal
Edison Co ORG 92610 El Toro
LAC 91772 So Cal
Edison co ORG 92613 Orange
LAC 91773 San Dimas ORG 92615 Huntington Beach
LAC 91775 San Gabriel ORG 92619 Irvine
LAC 91776 San Gabriel ORG 92621 Brea
LAC 91778 San Gabriel ORG 92624 Dana Point
LAC 91780 Temple City ORG 92625 Corona Del Mar
LAC 91788 Walnut ORG 92626 Costa Mesa
LAC 91789 Walnut ORG 92627 Costa Mesa
LAC 91790 West Covina ORG 92628 Costa Mesa
LAC 91791 West Covina ORG 92629 Dana Point
LAC 91792 West Covina ORG 92630 El Toro
LAC 91793 West Covina ORG 92631 Fullerton
LAC 91795 Federal Home
Loan Bank ORG 92632 Fullerton
LAC 91799 Focus on
The Family ORG 92633 Fullerton
LAC 91801 Alhambra ORG 92634 Fullerton
LAC 91802 Alhambra ORG 92635 Fullerton
LAC 91803 Alhambra ORG 92640 Garden Grove
LAC 91841 Carter Hawley
Hale ORG 92641 Garden Grove

LAC 91899 Alhambra ORG 92642 Garden Grove
LAC 91899 City of
Industry ORG 92643 Garden Grove
LAC 92621 Brea ORG 92644 Garden Grove
LAC 92622 Brea ORG 92645 Garden Grove
LAC 93243 Lebec ORG 92646 Huntington Beach
LAC 93510 Acton ORG 92647 Huntington Beach
LAC 93523 Edwards ORG 92648 Huntington Beach
LAC 93532 Lake Hughes ORG 92649 Huntington Beach
LAC 93534 Lancaster ORG 92650 East Irvine
LAC 93535 Lancaster ORG 92650 Irvine
LAC 93536 Lancaster ORG 92651 Laguna Beach
LAC 93539 Lancaster ORG 92652 Laguna Beach
LAC 93543 Littlerock ORG 92652 Playa
LAC 93544 Llano ORG 92653 Laguna Beach
LAC 93550 Palmdale ORG 92654 Laguna Beach
LAC 93551 Palmdale ORG 92654 Laguna Hills
LAC 93552 Palmdale ORG 92655 Midway City
LAC 93553 Pearblossom ORG 92656 Laguna Beach
LAC 93560 Rosamond ORG 92657 Newport Beach
LAC 93563 Pearblossom ORG 92658 Newport Beach
LAC 93584 Lancaster ORG 92659 Newport Beach
LAC 93586 Lancaster ORG 92660 Newport Beach
LAC 93586 Quartz Hill ORG 92661 Newport Beach
LAC 93590 Palmdale ORG 92662 Newport Beach
LAC 93591 Palmdale ORG 92663 Newport Beach
LAC 93599 Lockheed
Advanced Dev Co ORG 92664 Orange
ORG 90620 Buena Park ORG 92665 Orange
ORG 90621 Buena Park ORG 92666 Orange
ORG 90622 Buena Park ORG 92667 Orange
ORG 90623 Buena Park ORG 92668 Orange
ORG 90624 Buena Park ORG 92669 Orange
ORG 90630 Cypress
ORG 92670 Placentia
ORG 90631 La Habra ORG 92672 San Clemente
ORG 90632 La Habra ORG 92673 San Clemente

5

ORG 92675 San Juan
Capistrano VEN 91301 Agoura Hills
ORG 92676 Modjeska VEN 91304 Canoga Park
ORG 92676 Modjeska
Canyon VEN 91307 Canoga Park
ORG 92676 Silverado VEN 91311 Chatsworth
ORG 92677 Laguna Beach VEN 91312 Deluxe Check Printers
ORG 92678 Trabuco Canyon VEN 91313 Chatsworth
ORG 92679 San Juan
Capistrano VEN 91319 Newbury Park
ORG 92680 Tustin VEN 91319 Thousand Oaks
ORG 92681 Tustin VEN 91320 Thousand Oaks
ORG 92683 Westminster VEN 91358 Thousand Oaks

ORG 92684 Westminster VEN 91360 Thousand Oaks
ORG 92686 Yorba Linda VEN 91361 Thousand Oaks
ORG 92687 Yorba Linda VEN 91362 Thousand Oaks
ORG 92688 San Juan
Capistrano VEN 93001 Ventura
ORG 92690 Mission Viejo VEN 93002 San Buenaventura
ORG 92690 San Juan
Capistrano VEN 93002 Ventura
ORG 92691 San Juan
Capistrano VEN 93003 Ventura
ORG 92692 San Juan
Capistrano VEN 93004 Ventura
ORG 92693 Mission Viejo VEN 93005 Montalvo
ORG 92693 San Juan
Capistrano VEN 93005 San Buenaventura
ORG 92701 Santa Ana VEN 93005 Ventura
ORG 92702 Santa Ana VEN 93006 East Ventura
ORG 92703 Santa Ana VEN 93006 San Buenaventura
ORG 92704 Santa Ana VEN 93006 Ventura
ORG 92705 Santa Ana VEN 93007 San Buenaventura
ORG 92706 Santa Ana VEN 93007 Saticoy
ORG 92707 Santa Ana VEN 93007 Ventura
ORG 92708 Santa Ana VEN 93009 County Government Center
ORG 92709 Irvine VEN 93009 Ventura
ORG 92710 Irvine VEN 93009 Ventura County Govt Cntr
ORG 92710 Tustin marine
Corps Air VEN 93010 Camarillo
ORG 92711 Santa Ana VEN 93011 Camarillo
ORG 92712 Santa Ana VEN 93012 Camarillo
ORG 92713 Irvine VEN 93015 Fillmore
ORG 92714 Irvine VEN 93016 Fillmore
ORG 92715 Irvine VEN 93020 Moorpark
ORG 92716 Irvine VEN 93021 Moorpark
ORG 92716 University VEN 93022 Oak View
ORG 92717 Univ of
California
Irvine VEN 93023 Ojai
ORG 92718 Irvine VEN 93024 Ojai
ORG 92720 Irvine VEN 93030 Oxnard
ORG 92728 Fountain valley VEN 93031 Oxnard
ORG 92728 Santa Ana VEN 93032 Oxnard
ORG 92730 Fluor Corp VEN 93033 Oxnard
ORG 92799 Santa Ana VEN 93034 Oxnard
ORG 92801 Anaheim VEN 93034 Saviers
ORG 92802 Anaheim VEN 93035 Oxnard
ORG 928U3 Anaheim VEN 93040 Piru
ORG 92804 Anaheim VEN 93041 Port Hueneme
ORG 92805 Anaheim VEN 93042 Port Hueneme
ORG 92806 Anaheim VEN 93043 Port Hueneme
ORG 92807 Anaheim VEN 93044 Port.Hueneme
ORG 92808 Anaheim VEN 93060 Santa Paula
ORG 92812 Anaheim VEN 93061 Santa Paula
ORG 92814 Anaheim VEN 93062 Simi
ORG 92815 Anaheim VEN 93062 Simi Valley

ORG 92816 Anaheim VEN 93063 Simi Valley
ORG 92817 Anaheim VEN 93064 Brandeis
ORG 92817 Anaheim
Hills VEN 93064 Simi valley
ORG 92825 Anaheim VEN 93065 Simi Valley
ORG 92850 Household
Finance Corp VEN 93066 Somis
VEN 00206 Los Padres
Ntl Forest VEN 93093 Simi Valley
VEN 90263 Malibu VEN 93097 First Interstate Bancorp
VEN 90264 Malibu VEN 93099 Farmers Ins
VEN 90265 Malibu

February 18, 1994
SUPPLEMENT TO BULLETIN #627
BULLETIN TO ALL MEMBERS:

RE: SUPPLEMENT TO BULLETIN #627 REGARDING CALIFORNIA DEPARTMENT OF INSURANCE
EMERGENCY DIRECTIVE OF JANUARY 31, 1994

Attached is a memo issued by John Garamendi, Insurance Commissioner on February 14, 1994. It serves as an addendum to the Surplus Line Association Bulletin #627, dated February 8, 1994 and provides clarification of the January 31, 1994 emergency directive set forth by the California Department of Insurance.

To further assist in understanding the implications of this directive, LeBoeuf, Lamb, Greene and MacRae issued a memo to their clients. This memo is also attached. LeBoeuf references three contacts in their firm, John Finston, Thomas McDonald or Kenneth Schnoll who may be contacted for additional information. You can reach them at telephone 415-9511100.

James S. Pugh
Assistant Manager
JSP/imb
Attachments
FEB 17 1994

STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE
45 FREMONT STREET, 23RD FLOOR
SAN FRANCISCO, CA 94105
February 14, 1994

TO: All Insurers Admitted To Transact Business in the State of California, The Surplus Lines Association, Producer Associations, and Other Interested Persons

FROM: John Garamendi Insurance Commissioner

RE: Clarification Of January 31, 1994 Emergency Directive

On January 31, 1994, as a result of the January 17, 1994 Northridge Earthquake, the California Department of Insurance issued an Emergency Directive regarding forbearance in cancellations or nonrenewals of insurance resulting from nonpayment of premiums caused by hardship due to the state of emergency.

The primary purpose of this Emergency Directive was to assure temporary and emergency relief to persons located in areas subject to the state of emergency who suffered displacement or dislocation, or who -became temporarily unemployed as a result of the 1/17/94 earthquake.

The Department has received numerous inquiries from the regulated industry concerning some practical difficulties in complying with the directive and the scope of relief and geographical territory encompassed by the directive.

The purpose of this document is to confirm the purposes of the initial Directive and to clarify that it was designed to provide illustrative guidelines, and was not intended as a mandatory procedure applicable to all circumstances. Individual insurers are urged to adopt policies for disaster affected customers that will achieve the stated purposes of the January 31, Directive and that are consistent with their own business practices and organizational considerations. The January 31 Directive may be considered as a checklist of the types of actions the Department urges be undertaken.

The Department will examine individual complaints by insureds who were denied any accommodations regarding cancellation or nonrenewal in spite of demonstrable hardships in order to determine whether any duties imposed on insurers by law or regulation have been violated or whether any prohibited acts performed.-

DATED: February 14, 1994

John Garamendi
Insurance Commissioner

February 16, 1994

FOR: Our clients

FROM: LeBouf, Lamb, Greene & MacRae

SUBJECT: Clarification of Emergency Directive Regarding policies in Areas Affected by January 17, 1994 Earthquake

On February 11, 1994, we reported that Deputy Commissioner Hattie Hoge announced that, on Monday,, February 14, 1994, the Department planned to issue a clarification of its emergency directive intended to protect persons affected by the January 17, 1994 Southern California earthquake. (For a description of the emergency directive, please see our memorandum of February 2, 1994.) The Department's two page clarification is attached. The clarification states that the emergency directive provides illustrative guidelines,, and van not intended an a mandatory procedure applicable to all circumstances." The Department urges insurers to adopt procedures implementing the stated purposes of the emergency directive that are consistent with the insurer's "own business practices and organizational considerations."

The Department also warns insurers that it will investigate complaints by insureds who were denied accommodations in spite of "demonstrable hardships*" in order to determine whether the insurer violated any "duties imposed on insurers by law or regulation."

If you have any questions or would like additional information, please call John Finston, Thomas McDonald or Kenneth Schnoll at (415) 931-1100.