



The Surplus Line Association  
of California

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**BULLETIN #898**

**EXPORT LIST HEARING**

The California Department of Insurance (CDI) is planning to hold their annual public hearing on the Export List in the fall. The hearing will discuss the coverage and risk categories that can be exported to companies on the List of Eligible Surplus Line Insurers (LESLI) without having to conduct a diligent search of the admitted market.

As you know, Surplus Line Brokers who transact surplus line policies must ensure a diligent search of the admitted market and supervise or complete the SL-2 Form (Diligent Search Report) which describes the diligent search that was conducted. While the diligent search may be performed by the surplus line broker or retail producer, in either case, the surplus line broker is responsible to ensure that a search is made and a copy of the SL-2 form is filed with the SLA within 60 days of the placement of the coverage. By contrast, when executing policies for coverage or risk categories that appear on the Export List (Sec. 1763.1), surplus line brokers are exempt from having to supervise or conduct the diligent search and thus do not need to complete the SL-2 form nor include this information in their SLA filing.

If you have a suggestion for an addition to the Export List and can substantiate your claim that the added item is not available in the admitted market, the SLA will submit testimony on your behalf to the CDI at their Export List hearing in the fall. Your requested addition must be accompanied by evidence substantiating that an adequate or reasonable market does not exist among admitted insurance carriers. Specifically, the evidence should provide first-hand written testimony substantiating that the coverage or risk in question is generally unavailable in the admitted market. Another form of evidence would be written declinations from admitted carriers stating that they are unwilling to underwrite policies for a specific coverage or risk. The evidence must be of a compelling nature that gives the DCI assurances that the entire spectrum of California admitted carriers known for writing in the same general category of coverage or risk have been surveyed by the surplus line broker.

If you want the SLA to testify on your behalf, **please forward the information described above to Ted Pierce, Executive Director.** Attached is a current copy of the Export List for your review. Before submitting proposed Export List additions to the CDI, the SLA will notify California domiciled insurance companies to ask if they have any objections to the proposed additions.

A handwritten signature in cursive script that reads 'Theodore M. Pierce'.

Theodore M. Pierce  
Executive Director

# Attachment

## CALIFORNIA DEPARTMENT OF INSURANCE

### EXPORT LIST

<u>EXPORT LIST ITEM</u>	<u>EXPORT LIST CODE</u>
<b>Automobile</b>	
Exotic/Classic/Antique Autos With Value In Excess of \$100,000	052
<b>Crime</b>	
Excess Crime	152
Kidnap and Ransom	153
<b>Fire &amp; Allied Lines</b>	
Amusement Parks/Carnivals and Amusement Devices	405
Commercial DIC/Stand Alone Earthquake	406
Explosive Manufacturing/Sales/Storage	407
Homeowners Earthquake-Excess Limits or Deductible Buyback	408
Individual Insureds with Large Schedules Where the TIV (Total Insured Values) are in Excess of \$500 Million	409
Vacant Buildings	410
Sawmills	411
Hay in the Open	412
Excess Flood	413
<b>General Liability</b>	
Ambulance Service Including Professional Liability	561
Amusement Parks/Carnivals/Devices	562
Blasting Contractors	563
Building Moving	564
Clinical and Similar Tests of Pharmaceutical, Medical, Biological and Other Similar Products	565
Contractors Engaged in Construction of New Tract Homes and/or New Condominiums	566
<b>*Demolition Contractors</b>	567
Environmental Impairment Remediation and Pollution Liability	568
Employment Practices Liability	569
Explosives Including Manufacturing/Sales/Storage	570
Fireworks Displays	571
Patent/Trademark/Copyright Infringements	572
Limits that Attach in Excess of \$150 Million	573
Oilfield Contractors	574
Products/Completed Operations (Written on a Stand Alone Basis)	575
Products Recall	576
Outfitters & Guides	579
Short Term Special Events	580
Security Guard Services	581
Excess Liability Where Part of Underlying is Nonadmitted	582
Tattoo and Body Piercing Shops	583
<b>*Aviation Excess Liability</b>	<b>586</b>
<b>*Fairs Concessionaires and Vendors Including Liquor Liability</b>	<b>587</b>

# Attachment

## CALIFORNIA DEPARTMENT OF INSURANCE Export List

### Page Two

#### EXPORT LIST ITEM

#### EXPORT LIST CODE

##### **Professional Liability**

Architects and Engineers/Condo Coverage Only	577
Campaign Treasurers	578
Creditors' Committees	584
Tattoo and Body Piercing Shops	585

##### **Inland Marine**

Excess Motor Truck Cargo	451
Any Vessel with a Maximum Rated Speed in Excess of 55 mph	452
Personal Articles Floaters Written on a Stand Alone Basis where the Value of the Schedule is in Excess of \$1,000,000 or Contains a single item(s) over \$100,000	453
All Vessels in Excess of 30 Feet and Rated with a Maximum Speed of 45 mph	454

##### **Disability**

International Major Medical	705
High Limits Disability	706
Bridge Plan	708

##### **Other**

Political Risks Including Expropriation, Confiscation, Unfair Calling	655
Event Cancellation	656
Prize Indemnification	657