



**The Surplus Line Association
of California**

September 10, 2001

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BULLETIN #931

RE: PRIORITY TAG & BATCH FILING PROCEDURES

Effective immediately, the following changes will impact batch filing and priority tag procedures.

1. Priority Tag Procedures

The priority tags have been revised to include all missing and incomplete security company information. Priority tags notify the filing brokers of defects in their filings that the Commissioner considers more serious than standard tag items, such as the acceptability of the nonadmitted insurer with which the insurance was placed. These tags are issued because of a violation of a California statute or regulation.

If a priority tag is not answered in 14 days, the broker will receive another copy of the tag letter. If the priority tag remains unresolved by the 28th day, a report listing the types of unresolved violation(s) by broker is submitted to the Commissioner's office.

The following is a listing of all priority tags:

- Insurer not in compliance with GAP provisions.
- C.A.A.R.P. declination is missing.
- Company is not approved for use on the LESLI List.
- Company objected by California Dept. of Insurance.
- *Security information is not provided.
- *Security list does not show group breakdown.
- *Security company share of risk does not equal share on cover note.
- *Security agreement is broken down by coverage, but percentage of participation was not provided.
- *Lloyds syndicate numbers not shown.

(*New priority tags are indicated by an asterisk)



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2. Batch Filing Procedures

All future filings submitted to the Surplus Line Association (SLA) should include a batch cover sheet containing the following information:

- The assigned SLA broker number. This number can be found on your monthly billing statement or you can contact anyone in the Data Processing Dept. for this information.
- Name of the insured.
- Policy number.
- Premium amount and stamping fee for each item in the batch.
- Grand total of premium amount being filed.
- A listing of each item in the same order as the documents in the batch.

We would appreciate it if the following information could also be included on the cover sheet:

- Type of document being filed, (i.e., new, renewal, endorsement, cancellation, extension endorsement or offset.)
- Total item count in the batch.

*Please note, the batch filing requirements do not apply to those batches submitted as non-money endorsements.

Please contact Judith Flowers or Pat McAuley if there are any questions about the changes in procedures.

Judith A. Flowers
Manager of Data Processing