

# SLA Quarterly

## November 2004

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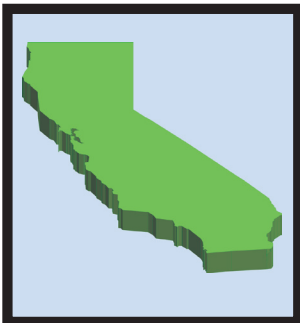
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**Greg Crouse**  
 Executive Chair, 2004

### Report of the Chair

California surplus line premiums have continued to climb steadily in the last 10-months and are expected to exceed last year's total of \$5 billion. The California Department of Insurance will review the Export List of coverage and risk categories (Sec. 1763.1) 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. Surplus Line Brokers that have found new coverage or risk categories in which there is no adequate market among admitted insurance carriers are encouraged to seek additions to the list.

In late September A.M. Best released their 11th annual 52-page special report, Excess and Surplus Lines 2004. The report found that in 2003, direct premium volume in U.S. surplus lines rose 28% com-

pared to a 12% growth rate in the P&C industry. The report found larger insurers continue to dominate the surplus line market. The top 25 groups wrote 85% of the market. The Best report also states domestic surplus lines insurers retained a median Best rating of A, compared to a median Best rating of A- for standard lines insurers in 2003. The report forecasts a soft market ahead. "The same conditions that led the industry into a prolonged soft market ...persist in today's environment," the report states. The report identifies conditions in the overall property-casualty market that include market fragmentation, excess capital and too many players. The report confirms the surplus line industry has been more profitable and garnered better financial strength ratings in both hard-market years and over the long haul and despite current market trends, solid profit opportunities would continue in the near term.

On another front, in August, U.S. House Representative Michael Oxley, chairman of the House Financial Services Committee, and Rep. Richard Baker, chairman of the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises, released a draft of the State Modernization and Regulatory Transparency

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(SMART) Act. The draft legislation would force states to comply with uniform standards and resolve disputes, speed up the process of getting new products to the market and move toward a system of market-based rates, without creating a federal regulator. Instead, it would establish a seven-member panel consisting of insurance commissioners and appointees from several federal agencies. Since the panel would have no regulatory authority, the federal courts would presumably be the mechanism to force compliance with standards.

With respect to surplus lines, the SMART Act would encourage states to develop and coordinate a uniform system for the allocation of surplus line premium taxes on multi-state risks. The draft calls for the payment of premium tax to only the home state of the insured, be allocated by the state government in accordance with a uniform allocation formula, and be processed through a uniform and centralized national electronic system. The draft would also modernize surplus lines by calling for all states to participate in the NAIC national insurance producer database for

the licensure of surplus line brokers. The draft calls for states to adopt uniform eligibility criteria for non-admitted insurers and state regulation of surplus line transactions should be streamlined for “sophisticated commercial purchasers”.

## Legislative Update



### 2004 Enactments That Become Effective January 1, 2005

**AB 2490 (Ken Maddox, R-Garden Grove)** expands the commercial lines exemption for the D-1, disclosure notice form, to personal lines. The exemption allows homeowner’s policies written in surplus lines to be bound before the D-1 Form is signed, but only if the applicant requires that insurance coverage be bound immediately

and the applicant is unable to meet with the producer to sign the D-1. New versions the D-1 and D-2 forms go into effect January 1, 2005 (the new D-1 and D-2 disclosure notices are enclosed).

**AB 1950 (Pat Wiggins, D-Santa Rosa)** imposes a duty to use “reasonable security procedures and practices” to secure data on all companies who do business in California and have data related to California residents. The law is largely duplicative of privacy laws that already apply to surplus line brokers, and does not apply to insurers since they are already regulated in this area. The law does however, re-emphasize California’s determination to protect private information of California residents.

**SB 1273 (Jack Scott, D-Altadena)** would prohibit an insurer, agent or broker from making or using a statement that is known, or should have been known, to be a misrepresentation of terms, benefits, or dividends of an insurance policy, and prohibits a person from making a statement that is known, or should have been known, to be a misrepresentation of terms, benefits, or dividends of an insurance policy, and prohibits a person from making a statement that is known, or should be known, to be a misrepresentation for the purpose of inducing another person or policyholder to take certain actions, and increases the maximum penalty for such misrepresentation to up to one year and/or a fine of up to \$25,000, and provides that when the loss to the victim exceeds \$10,000, the maximum

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fine is three times the amount of that loss.

**AB 421 (Darrell Steinberg, D-Sacramento)** requires the Insurance Commissioner to conduct a market study of the availability and loss experience on property and liability insurance coverage for corporations that provide subsidized housing for low- and middle-income individuals. The Insurance Commissioner must deliver the findings of the study to the Legislature by July 1, 2005.

**AB 2199 (Christine Kehoe, D-San Diego)** defines the measure of indemnity and places specified conditions on insurers in circumstances related to fire insurance. In addition, the bill allows an insured to be granted a time extension to rebuild, repair or replace the insured property and allows an insured to rebuild, repair, or replace the

property at a location other than the original insured premise.

**AB 2962 (Fran Pavley, D-Agoura Hills)** enacts several provisions relating to the renewal, cancellation and cost of homeowners insurance policies and incidents in which the insured suffered a total loss due to a disaster.

**SB 64 (Jackie Speier, D-Hillsborough)** requires the Department of Insurance to establish a mediation process for the resolution of residential property insurance loss disputes occurring after September 30, 2003, and for which the Governor has declared a state of emergency (other than earthquake losses).

**SB 1855 (Dede Alpert, D-Coronado)** requires insurers to add an additional disclosure to the California Residential Property Insurance Disclosure

(Petris Act) and the Declarations Page of homeowners' insurance policies stating that the cost to rebuild a home may be different than the homeowners' policy limits. In addition, the bill requires insurers to distribute a new California Residential Insurance Bill of Rights to consumers every other year outlining consumers and insurer rights and responsibilities.

**AB 2147 (Christine Kehoe, D-San Diego)** requires insurers who write wrap-up insurance policies to report workers' compensation information on both contractors and subcontractors to the rating agencies and to the contractor.

## Member Profile



**Susie Parks**  
Vice President  
**American Wholesale Insurance  
Brokerage of California  
(AmWINS)**

Susie Parks started her insurance industry career

in 1987 with the Cambridge General Agency of Covina, CA. In 1991, she went to work for Swett Insurance Managers of Reno, NV. In 1994, she transferred to Swett & Crawford Woodland Hills. In 1998, she joined MTS Insurance LLC with the objective of developing middle market business for both property and casualty insurance. Today, Susie is an account specialist for regional and national real estate schedules for both property and liability coverages. Susie attended the University of Nevada and enjoys

Golf, Bowling and volunteering for various charities.

MTS Insurance Service LLC changed their name in October 2004 to AmWINS Insurance Brokerage of California, a division of American Wholesale Insurance Group (AmWINS). AmWINS' has 26 offices country-wide and premium placements over \$1.5 billion. AmWINS capabilities include: P&C Brokerage, Specialty Underwriting, Group Benefits Brokerage and Custom Products & Services.

## Report of the Director of the Stamping Office



**Joy Erven Laughery**

The SLA is now an organization of 943 licensed surplus line brokers. Seven hundred and thirty-seven of these licensees are resident brokers and two-hundred and six of the licensees are non-resident. Through the first nine months of 2004, the SLA has processed \$4.1 billion in premium from broker filings, up 4.3% from \$3.9 billion processed during the same period in 2003. Policy counts for the respective periods were 324,539 and 278,613 (a 16.5% increase).

In the last 12 months ending September 30, 2004, foreign insurers wrote 82.04 percent of the California surplus line premiums, Lloyd's syndicates wrote 13.25 percent, and other alien insurers wrote 3.45 percent. The top three writers for the past 12 months were Lexington Insurance Company with 11.71 percent of the premiums, American International Specialty Lines Insurance Company with 4.82 percent, and Landmark American Insurance Company with 4.76 percent. Ten individual Lloyd's syndicates appear on the top 50 writers list.

Please note, on January 1, 2005, new D-1 & D-2 (Signed Disclosure Notices) will go into effect and should be used in all California surplus line transactions except when the industrial insured exemption applies under Sec. 1764.1(c) et al. The new forms

are enclosed.

Welcome to our newest addition to the staff, regular part time employee in the data processing department, Jason Cardella.

We would also like to welcome our newest brokers:

*A.I. Risk Specialists Insurance, Inc.*  
*Alexander Anthony Insurance LLC*  
*American Management Corporation*  
*AMW Ougheltree & Associates, LLC*  
*Binford, Benjamin Riley Jr.*  
*Brakke-Schafnitz Insurance Brokers, Inc.*  
*Brauner, David James*  
*Bray, Jeffrey Richard*  
*Cal-Regent Insurance Services Corporation*  
*Claire Agency, Inc.*  
*Cockroft, Euleon Jock*  
*Coronado Insurance Wholesale Services, Inc.*  
*Distinguished Programs Insurance Brokerage, LLC*  
*Edde, Larry Dean*  
*Eydent International Insurance Brokers, LLC*  
*Di Gioia, Edward Paul*  
*F.O.G.S., Inc.*  
*Gable, Wendy Anne*  
*Geo. F. Brown & Sons, Inc.*  
*Giadrosich, Ronald Bernard*  
*Haas, Edwin Nicholas*  
*Hagan, Philip Stephen*  
*Hansard, Larry Wayne*  
*Harris, Donald Scott*  
*Health Care Insurers, Inc.*  
*Helmsman Insurance Agency LLC*  
*Hildebrand, John Christopher*  
*InLight Risk Management, Inc.*  
*International Insurance Group, Inc.*  
*James W. Wolf Bonds and Insurance, Inc.*  
*Jimcor Agency, Inc.*  
*John F. Throne & Co. Insurance Marketing, Inc.*

*Kukral, Kenneth Edward*  
*LAE Insurance Services, Inc.*  
*Lester Kalmanson Agency, Inc.*  
*Lewin, Darren Hirsch*  
*Lighthouse Underwriters, LLC*  
*Livingston, Donald Earl*  
*Lyn, Jamie Sue*  
*Martinez, Gary Steven*  
*Mencarelli, Kevin Peter*  
*Meyers-Reynolds & Associates, Inc.*  
*MIMS International, Ltd.*  
*Molloy, Timothy Patrick*  
*Murphy, John Michael*  
*One Stop Auto Insurance Agency, Inc.*  
*Pan, Chia Lu Jeff*  
*Patrick, Katherine Antonia*  
*Polley, Benjamin Ethan*  
*Poms & Associates Insurance Brokers, Inc.*  
*Poulton Associates, Inc.*  
*Powter, John James*  
*Randolph-Biggio, Marie Alice*  
*Regency Pacific Insurance Services, Inc.*  
*RMS Insurance Brokerage, LLC*  
*Ross, Robert Geoffrey*  
*Rothman, Eric Thomas*  
*Seifert, Arthur Bradford*  
*Smith, Camille*  
*Spofford Group Insurance Brokerage, Ltd.*  
*Summit Global Partners of Texas, Inc.*  
*Tanenbaum-Harber of California, Inc.*  
*Tanner Insurance Brokers, Inc.*  
*Tri-Arc Financial Services, Inc.*  
*United Commercial Insurance Agency, Inc.*  
*Urrutia, Angela Cribbs*  
*Van Gilder Insurance Corporation*  
*Vicencia, Steven Frank*  
*West Coast Real Estate & Insurance, Inc.*  
*Westfall, George Henry*  
*Whitecap Insurance, Inc.*  
*Willis of Massachusetts, Inc.*  
*Wolf, James Wesley Jr.*



**Top 100 California Surplus Line Brokers  
Based on Premium Processed by the SLA Through September 30, 2004**

Rank	Broker	Premium Processed (\$000)	% of Total
1	Swett & Crawford	\$363,542	8.97%
2	Marsh USA Inc.	315,957	7.80%
3	Western Risk Specialists, Inc.	307,469	7.59%
4	AmWins Insurance Brokerage Of California	137,877	3.40%
5	AON Risk Services, Inc. Of So. CA Insurance Services	137,006	3.38%
6	American E & S Insurance Brokers Of California, Inc.	130,835	3.23%
7	Sterling West Insurance Services, Inc.	124,378	3.07%
8	Heath Insurance Brokers Inc.	96,365	2.38%
9	Stewart Smith East, Inc.	82,020	2.02%
10	Bliss & Glennon, Inc.	81,528	2.01%
11	Lemac & Associates, Inc.	80,694	1.99%
12	Worldwide Facilities, Inc.	79,137	1.95%
13	International E & S Insurance Brokers, Inc.	78,409	1.94%
14	Navigators California Insurance Services, Inc.	73,566	1.82%
15	Burns & Wilcox Insurance Services, Inc.	73,039	1.80%
16	Cooney, Rikard & Curtin Ins. Services Of California, LLC	71,351	1.76%
17	Brown & Riding Insurance Services, Inc.	68,189	1.68%
18	BISYS Commercial Insurance Services, Inc.	61,051	1.51%
19	First State Management Group, Inc.	53,881	1.33%
20	Partners Specialty Group, LLC.	49,893	1.23%
21	Arthur J. Gallagher & Co. Ins. Brokers Of CA, Inc. (SF)	45,469	1.12%
22	Risk Placement Services Insurance Brokers	43,734	1.08%
23	Crouse & Associates Ins. Services Of N. California, Inc.	42,350	1.05%
24	ECM Insurance Services, Inc.	40,434	1.00%
25	Lockton Insurance Brokers, Inc.	38,621	0.95%
26	Yates & Associates Insurance Services, Inc.	33,664	0.83%
27	Woodruff-Sawyer & Company	33,484	0.83%
28	Willis Insurance Services Of California, Inc.	32,373	0.80%
29	Borisoff Insurance Services, Inc.	31,118	0.77%
30	Zurich E&S Insurance Brokerage, Inc.	29,944	0.74%
31	M.J. Hall & Company, Inc.	29,560	0.73%
32	Carpenter & Moore Insurance Services Inc.	29,530	0.73%
33	ROKS America, Inc. Insurance Brokers	28,609	0.71%
34	Harry W. Gorst Company, Inc	27,566	0.68%
35	Pacific Wholesale Brokers, LLC.	27,234	0.67%
36	W. Brown & Associates Property & Casualty Ins. Services	25,890	0.64%
37	Aon/Albert G. Ruben Insurance Services, Inc.	25,596	0.63%
38	Trinity E & S Insurance Services, Inc.	22,292	0.55%
39	Hull & Company	21,918	0.54%
40	R.E. Chaix & Associates Insurance Brokers, Inc.	20,187	0.50%

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The Surplus Line Association of California

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Rank	Broker	Premium Processed (\$000)	% of Total
41	Crump E&S Of San Francisco Insurance Services, Inc.	20,062	0.50%
42	Commodore Insurance Services, Inc.	19,182	0.47%
43	SBIB, Inc.	19,143	0.47%
44	AIS Affinity Insurance Agency, Inc.	19,025	0.47%
45	Coastal Brokers Insurance Services Inc.	18,842	0.47%
46	Petersen International Underwriters	18,259	0.45%
47	Cambridge General Agency	18,134	0.45%
48	Neitclem Wholesale Insurance Brokerage, Inc	18,006	0.44%
49	Professional Practice Insurance Brokers, Inc.	17,572	0.43%
50	Hull & Company (California) Inc.	16,108	0.40%
51	NAS Insurance Services, Inc.	15,277	0.38%
52	Crawley Warren Insurance Services, Inc.	14,988	0.37%
53	Willis Of New York Inc	14,506	0.36%
54	Anderson & Murison Inc.	13,862	0.34%
55	Western Security Surplus Insurance Brokers, Inc.	13,855	0.34%
56	Aon Risk Services, Inc. Of No.California Ins. Services.	13,601	0.34%
57	Driver Alliant Insurance Services, Inc.	13,010	0.32%
58	Vulcan Excess & Surplus Insurance Services, Inc.	12,947	0.32%
59	All Risks, Ltd.	12,697	0.31%
60	James Klein Insurance Service Inc.	12,672	0.31%
61	Crump E&S Of California Insurance Services, Inc.	11,984	0.30%
62	Excess & Surplus Lines Insurance Brokers, Inc.	11,428	0.28%
63	American E & S Insurance Brokers Of Ca, Inc. (San Diego)	11,342	0.28%
64	Integrated Risk Solutions Insurance Services, LLC.	11,131	0.27%
65	Western Re/Managers Insurance Services, Inc.	11,021	0.27%
66	Breitstone & Co., Ltd.	9,037	0.22%
67	Richter/Robb Pacific Insurance Services, Inc.	8,717	0.22%
68	Trans Cal Associates	8,662	0.21%
69	Dealey, Renton & Associates Insurance Brokers	8,608	0.21%
70	Black, White & Associates Insurance Brokers	8,598	0.21%
71	Bass Underwriters, Inc.	8,566	0.21%
72	Alexander, Morford & Woo, Inc.	8,557	0.21%
73	Abram, Ronald Alan	8,426	0.21%
74	London American General Agency, Inc.	7,681	0.19%
75	W. B. Ahern Enterprises, Inc.	7,443	0.18%
76	USI Of Southern California Insurance Services, Inc.	7,346	0.18%
77	G.J. Sullivan Co. Excess & Surplus Lines Brokers	7,064	0.17%
78	Erickson, Lisa Ann	6,838	0.17%
79	HDR Insurance Managers, LLC.	6,806	0.17%
80	National Advantage Insurance Services, Inc.	6,551	0.16%
81	Interwest Insurance Services, Inc	6,368	0.16%

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Rank	Broker	Premium Processed (\$000)	% of Total
82	Prowest Insurance Services, Inc.	6,268	0.15%
83	Hub International Of California, Inc.	6,230	0.15%
84	Sunderland Insurance Services, Inc.	6,228	0.15%
85	ABD Insurance And Financial Services	6,201	0.15%
86	Western Marine Insurance Service Corporation	6,106	0.15%
87	Canon Insurance Service	6,100	0.15%
88	CK Specialty Insurance Associates, Inc.	5,855	0.14%
89	Dwyer & Associates Insurance Services, Inc.	5,799	0.14%
90	George Rotherth & Associates, Inc.	5,582	0.14%
91	Acordia Of California Insurance Services, Inc.	5,394	0.13%
92	Dewitt Stern Of California, LLC.	5,370	0.13%
93	Seabury & Smith	5,364	0.13%
94	Sovereign General Insurance Services, Inc.	5,241	0.13%
95	Western Brokers Insurance Services	5,155	0.13%
96	New Age Brokerage, Inc.	5,144	0.13%
97	R.I.C. Insurance General Agency, Inc.	5,081	0.13%
98	International Facilities Insurance Services,	4,866	0.13%
99	Seabury & Smith, Inc.	4,825	0.12%
100	James C. Jenkins Insurance Service Inc.	4,785	0.12%
	<b>Subtotal</b>	<b>\$3,705,277</b>	<b>91.46%</b>
	All Other Brokers	345,761	8.54%
	<b>Total</b>	<b>\$4,051,038</b>	<b>100.00%</b>

Premium Totals by Company Type				
Company Type	(\$000) 9/30/2004	(\$000) 9/30/2003	% Growth	% of Total 2004
Foreign Insurers	\$3,323,456	\$3,027,651	9.77%	82.04%
Lloyd's	536,960	626,227	-14.25%	13.25%
Alien Insurers	139,692	153,908	-9.24%	3.45%
<b>Subtotal</b>	<b>\$4,000,108</b>	<b>\$3,807,786</b>	-5.05%	98.74%
All others	50,930	76,719	-33.61%	1.26%
<b>Total</b>	<b>\$4,051,038</b>	<b>\$3,884,505</b>	4.29%	100.00%

**40 Largest Coverages Based on Premium Processed  
by the SLA Through the Third Quarter Of 2004**

**E = EXPORT LIST ITEM**

Rank	Coverage	Premium Processed (\$000)	% of Total
1	General Liability	\$1,427,175	35.23%
2	Errors And Omissions	390,453	9.64%
3	E Commercial DIC/Stand Alone Earthquake	330,657	8.16%
4	All Risk Commercial Property	312,646	7.72%
5	Excess Liability	210,841	5.20%
6	Special Multi-peril	170,877	4.22%
7	Directors And Officers	166,144	4.10%
8	E Indiv Insured W/Large Sched TIV > \$500m	158,930	3.92%
9	E Excess Liability/Underlying Nonadmitted	115,375	2.85%
10	Professional Liability	107,652	2.66%
11	E Contractors Engaged In New Tract Homes	100,061	2.47%
12	E Environmental Impairment Remediation	80,186	1.98%
13	E Employment Practices Liability	65,703	1.62%
14	Inland Marine	42,768	1.06%
15	E Products Completed Operations (Stand Alone)	38,724	0.96%
16	Miscellaneous	30,247	0.75%
17	Homeowners Multi-Peril	28,768	0.71%
18	Commercial Property-Basic	27,385	0.68%
19	Homeowners	23,814	0.59%
20	Auto Physical Damage-Commercial	23,143	0.57%
21	E High Limits Disability	17,892	0.44%
22	Aviation	16,294	0.40%
23	Garage Liability	12,893	0.32%
24	Single Family Dwelling/Duplex	12,105	0.30%
25	Hospitals	11,982	0.30%
26	E Security Guard Services	11,353	0.28%
27	Auto Combined Liab & Phys Damage-Comm.	11,097	0.27%
28	Auto Liability-Commercial	9,923	0.24%
29	Special Multi-Peril With Terrorism	6,947	0.17%
30	Terrorism	6,541	0.16%
31	Disability Income	5,599	0.14%
32	E Clinical & Similar Tests Of Pharmaceutical	4,168	0.10%
33	E Aviation Excess Liability	4,162	0.10%
34	E Event Cancellation	3,908	0.10%
35	Bonds	3,875	0.10%
36	E Vacant Buildings	3,049	0.08%
37	E Demolition Contractors	2,891	0.07%
38	E Oilfield Contractors	2,887	0.07%
39	E Personnal Articles Floaters	2,716	0.07%
40	E Amusement Parks/Carnivals/Devices	2,636	0.07%
	<b>SUBTOTAL</b>	<b>\$4,004,471</b>	<b>98.85%</b>
	All Other Coverages	46,567	1.15%
	<b>TOTAL</b>	<b>\$4,051,038</b>	<b>100.00%</b>



**Top 50 Eligible Surplus Line Carriers Based  
on Premium Processed by the SLA Through September 30, 2004**

Rank	Carrier	Premium Processed (\$000)	% of Total
1	Lexington Insurance Company	\$474,264	11.71%
2	American International Specialty Lines Insurance Company	195,317	4.82%
3	Landmark American Insurance Company	192,744	4.76%
4	Evanston Insurance Company	144,835	3.58%
5	Scottsdale Insurance Company	143,971	3.55%
6	Arch Specialty Insurance Company	139,582	3.45%
7	Admiral Insurance Company	117,555	2.90%
8	Steadfast Insurance Company	109,762	2.71%
9	Westchester Surplus Lines Insurance Company	99,356	2.45%
10	NIC Insurance Company	87,849	2.17%
11	North American Capacity Insurance Company	84,355	2.08%
12	Axis Specialty Insurance Company	81,954	2.02%
13	Mt. Hawley Insurance Company	79,101	1.95%
14	Illinois Union Insurance Company	77,941	1.92%
15	Essex Insurance Company	72,850	1.80%
16	Gemini Insurance Company	68,414	1.69%
17	Everest Indemnity Company	62,697	1.55%
18	Pacific Insurance Company Ltd.	60,778	1.50%
19	Clarendon America Insurance Company	60,359	1.49%
20	First Specialty Insurance Corporation	57,629	1.42%
21	Lloyd's of London Syndicate # 0033	57,597	1.42%
22	American Safety Indemnity Company	56,249	1.39%
23	Empire Indemnity Insurance Company	51,493	1.27%
24	Columbia Casualty Company	51,229	1.26%
25	Lloyd's of London Syndicate # 2020	44,684	1.10%
26	General Star Indemnity Company	44,467	1.10%
27	Liberty Surplus Insurance Corporation	40,859	1.01%
28	Houston Casualty Insurance Company	40,032	0.99%
29	Colony Insurance Company	39,816	0.98%
30	Lloyd's of London Syndicate # 2488	39,106	0.97%
31	Interstate Fire & Casualty Company	38,314	0.95%
32	Burlington Insurance Company	37,483	0.93%
33	Gulf Underwriters Insurance Company	37,373	0.92%
34	National Fire & Marine Insurance Company	36,354	0.90%
35	Lloyd's of London Syndicate #0623	36,298	0.90%
36	Century Surety Company	34,227	0.84%
37	Lloyd's of London Syndicate # 2001	32,894	0.81%
38	Western Heritage Insurance Company	31,570	0.78%
39	United National Insurance Company	30,546	0.75%
40	Lloyd's of London Syndicate # 2623	29,111	0.72%
41	Glencoe Insurance Limited	27,981	0.69%
42	Chubb Custom Insurance Company	27,755	0.69%
43	Commonwealth Insurance Company	26,882	0.66%

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Rank	Carrier	Premium Processed (\$000)	% of Total
44	Indian Harbor Insurance Company	25,694	0.63%
45	Lloyd's of London Syndicate # 0510	25,539	0.63%
46	St. Paul Surplus Lines Insurance Company	25,095	0.62%
47	Great America E&S Insurance Company	24,916	0.62%
48	Lloyd's of London Syndicate # 2003	24,313	0.60%
49	Lloyd's of London Syndicate # 2987	22,877	0.56%
50	Lloyd's of London Syndicate # 0570	20,183	0.50%
	<b>SUBTOTAL</b>	<b>\$3,472,251</b>	<b>85.71%</b>
	All Other Carriers	578,787	14.29%
	<b>TOTAL</b>	<b>\$4,051,038</b>	<b>100.00%</b>

Look for the Revised D-1 and D-2 Form placed in this newsletter addition!

D-1

D-2

NOTICE

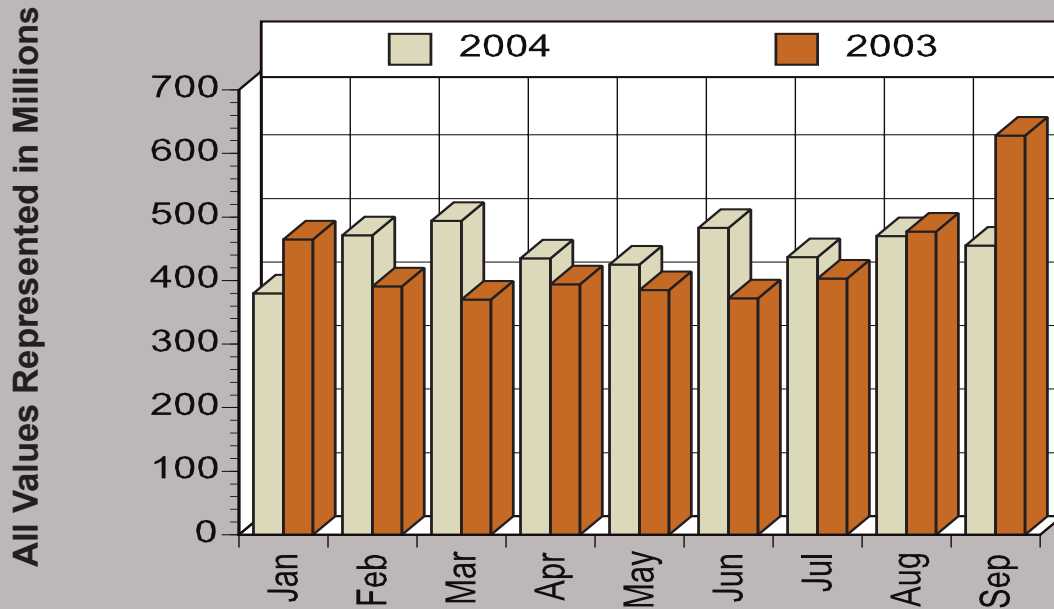
1. THE INSURANCE POLICY THAT YOU ARE APPLYING TO PURCHASE IS BEING ISSUED BY AN INSURER THAT IS NOT LICENSED BY THE STATE OF CALIFORNIA. THESE COMPANIES ARE CALLED "NONADMITTED" OR "SURPLUS LINE" INSURERS.
2. THE INSURER IS NOT SUBJECT TO THE FINANCIAL SOLVENCY REGULATION AND ENFORCEMENT WHICH APPLIES TO CALIFORNIA LICENSED INSURERS.
3. THE INSURER DOES NOT PARTICIPATE IN ANY OF THE INSURANCE GUARANTEE FUNDS CREATED BY CALIFORNIA LAW. THEREFORE, THESE FUNDS WILL NOT PAY YOUR CLAIMS OR PROTECT YOUR ASSETS IF THE INSURER BECOMES INSOLVENT AND IS UNABLE TO MAKE PAYMENTS AS PROMISED.
4. CALIFORNIA MAINTAINS A LIST OF ELIGIBLE SURPLUS LINE INSURERS APPROVED BY THE INSURANCE COMMISSIONER. ASK YOUR AGENT OR BROKER IF THE INSURER IS ON THAT LIST.
5. FOR ADDITIONAL INFORMATION ABOUT THE INSURER YOU SHOULD ASK QUESTIONS OF YOUR INSURANCE AGENT, BROKER, OR "SURPLUS LINE" BROKER OR CONTACT THE CALIFORNIA DEPARTMENT OF INSURANCE, AT THE FOLLOWING TOLL-FREE TELEPHONE NUMBER: 1-800-927-4357.
6. IF YOU, AS THE APPLICANT, REQUIRED THAT THE INSURANCE POLICY YOU HAVE PURCHASED BE BOUND IMMEDIATELY, EITHER BECAUSE EXISTING COVERAGE WAS GOING TO LAPSE WITHIN TWO BUSINESS DAYS OR BECAUSE YOU WERE REQUIRED TO HAVE COVERAGE WITHIN TWO BUSINESS DAYS, AND YOU DID NOT RECEIVE THIS DISCLOSURE FORM AND A REQUEST FOR YOUR SIGNATURE UNTIL AFTER COVERAGE BECAME EFFECTIVE, YOU HAVE THE RIGHT TO CANCEL THIS POLICY WITHIN FIVE DAYS OF RECEIVING THIS DISCLOSURE. IF YOU CANCEL COVERAGE, THE PREMIUM WILL BE PRORATED AND ANY BROKER FEE CHARGED FOR THIS INSURANCE WILL BE RETURNED TO YOU.

Date: \_\_\_\_\_  
Insured: \_\_\_\_\_

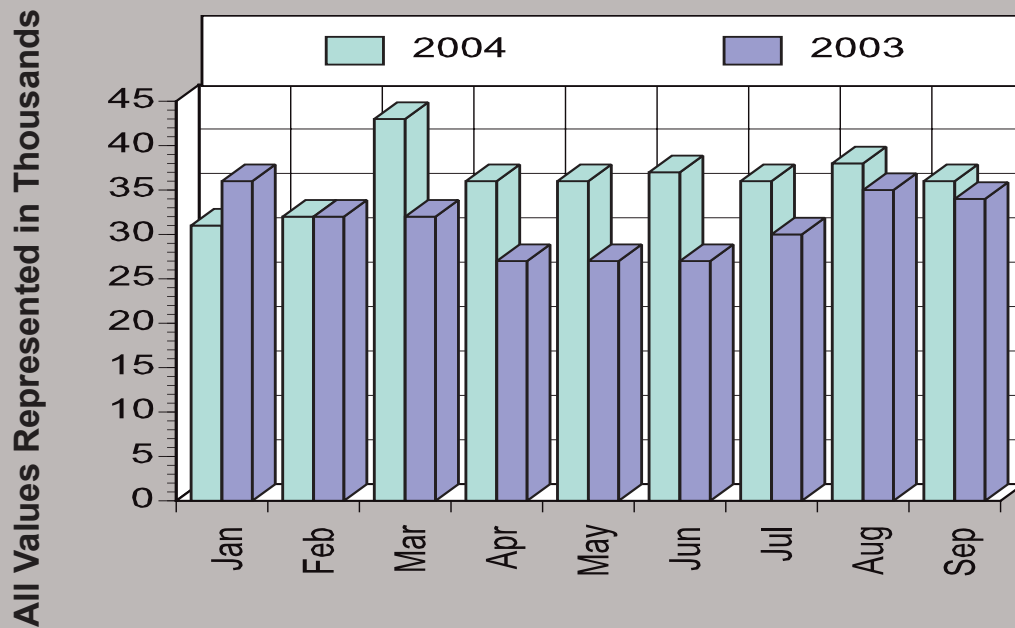
NOTICE

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### Comparison of Premiums Processed for 2004 Vs. 2003



### Comparison of Items Processed for 2004 Vs. 2003



## *Surplus Line Association of California*

### **Scheduled Educational Events for November 2004**

*(No seminars scheduled for the month of December)*

**ALL OUR SEMINARS ARE APPROVED FOR CA  
FIRE & CASUALTY  
BROKER-AGENTS (FX)**

#### SLA Filing Procedures

Presented by: The Surplus Line  
Association of California Staff

*Registration & Continental Breakfast 8:30 a.m.*  
Seminar 9:00 a.m. – 11:00 a.m.  
2 CE Credits – Course #11007

#### **Tuesday, November 09, 2004**

Radisson Hotel San Diego  
1433 Camino del Rio South  
San Diego, CA 92108

#### **Wednesday, November 10, 2004**

DoubleTree Hotel Sacramento  
2001 Point West Way  
Sacramento, CA 95815

#### **Tuesday, November 16, 2004**

Hilton Universal City & Towers  
555 Universal Hollywood Drive  
Universal City, CA 91608

#### **Wednesday, November 17, 2004**

Hyatt Regency San Francisco  
5 Embarcadero Center  
San Francisco, CA 94111

## **November 2004**

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for the members of the Surplus Line Association

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