

SLA Quarterly

August 2005

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Rupert Hall
Chairman, 2005

Report of the Chairman

Surplus line premiums have remained relatively flat for the first six months of 2005. The increase in total premium volume for the year to date is only 2.5 percent -- a far cry from the 82 percent increase of 2003.

In the first 6-months of the year, the top three nonadmitted carriers were Lexington Insurance Company, Steadfast Insurance Company, and American International Specialty Lines Insurance Company. The top three surplus line brokers were Western Risk Specialists, Swett & Crawford, and AON Risk Services, Inc. The top three lines of coverage written in surplus lines were general liability, errors and omissions, and commercial property.

The Surplus Line Association has signed a new lease for office space and will be moving from the 11th and 14th floors of 388 Market Street in San Francisco to the 18th floor of 50 California Street, also in San Francisco. The move is expected to take place sometime in January 2006 and will afford the SLA the opportunity to locate the entire operation on one floor while dramatically reducing the cost of rent.

As of this publication date, there are 174 non-admitted carriers on the List of Eligible Surplus Line Insurers (LESLI). Thirty-two of these carriers are domiciled outside of the United States, 86 are domiciled in the United States, and 56 of them are Lloyd's Syndicates. Just over 83 percent of the California surplus line premiums in the first 6-months of 2005 were written by U.S. domiciled nonadmitted carriers. Lloyd's Syndicates wrote 12.5 percent of the premium and 2.6 percent was written by other non-U.S. carriers.

On the regulatory front, California's proposed broker compensation disclosure regulations seem to be in a holding pattern. The legislative

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version of this potential regulatory initiative, S.B. 938 was defeated in committee on April 27, 2005. However, the California Department of Insurance may deal with the broker compensation disclosure issue by instituting enforcement actions against certain brokers.

The total number of California organizational and individual surplus line broker licenses has soared to 1,092. This number includes 792 resident brokers and 300 non-resident brokers. Despite the obvious demands on the organization created by this influx of new brokers, the SLA

continues to offer its members superb service and guidance through the commitment and dedication of our active volunteer leadership and well-trained professional staff. ■

Legislative Update



Ted Pierce, Executive Director

AB 1043 – (Harman) – Would eliminate the 120-day deadline for the return of unearned premium for premium financed policies, and would apply a 25-day deadline for the return of gross unearned premium. The bill would impose a 60-day deadline for the return of gross unearned premium when an insurer endorses, rejects, declines, cancels, or surrenders a certain type of commercial insurance policy, or a worker's compensation policy. The bill would impose specified requirements on insurers, brokers, and others with respect to returning unearned premiums, providing notice, and applying offsets to amounts owed to insureds. It would require an insurer to provide an accounting to the insured regarding the calculation of an unearned premium

refund, and would provide that the Insurance Commissioner may adopt regulations regarding this accounting. **Status:** The bill is pending consideration in the Senate Appropriations Committee.

AB 1424 – (Saldana) – Would clarify that surplus line brokers are subject to the same lien provisions that apply to other insurers when found to be deficient in premium tax payments to the state. The bill would provide that these lien rights would extend to all property and franchises of every kind and nature belonging to the surplus line broker. The bill has been amended to clarify that the lien levied on surplus line brokers shall not exceed the amount of unpaid tax collected by the surplus line broker. **Status:** Pending consideration on the Senate floor.

AB 729 – (Koretz) – Would require surplus line brokers organized as limited liability companies (LLCs) to provide the state written evidence of security for claims against them in the form of errors and omissions (E&O)

coverage or acceptable alternative security equal to \$100,000 for each claim multiplied by the number of licensees rendering professional services on behalf of the company with a minimum required amount of \$500,000. The maximum coverage would not be required to exceed \$5 million. The LLC surplus line broker's E&O cover cannot be non-renewed, cancelled or terminated without providing written notice to the commissioner within 10 days. This bill would require that premium taxes collected by LLC surplus line brokers be applied first to any interest and penalties due and then to the tax owed. The bill was amended to remove language that would allow the commissioner to assess penalties on surplus line brokers. The bill was also amended to remove a provision not allowing the LLC surplus line brokers E&O deductibility to exceed 3 percent. However, surplus line brokers would be responsible to maintain security for payment of their deductible limit or self-insured retention liability. **Status:** The bill is pending in the Senate Appropriations Committee. ■

Report of the Director of the Stamping Office



Joy Erven Laughery
Director, Stamping Office

We have received our 2nd Quarter results. The Data Processing Department has processed \$2,755,248,790 in premiums. The total fees billed are \$ 6,093,653. While we are on target to again exceed \$5 billion in processed premiums, the 2.4% increase is another indicator that rumors of a softening market are true. Our total items processed to date are 204,908. While processed premium has declined, the item count has remained consistently strong, showing a 14% increase over last year.

Our Education Department will host "TAKE IT APART QUICKLY™ - GL and UMBRELLA LIABILITY" on August 10, 2005. This class is worth 4 CE credits and will be held in Burbank, California. All the classes hosted by the Surplus Line Association are free of charge. You can find classes in your area by looking on our website or by calling Vienna Murray, the Education Manager.

We would like to welcome Vanna Truong, Financial Analyst Assis-

tant. Vanna will work in our Financial Department helping compile information for new and renewal companies to the LESLI. The current number of LESLI Listed Companies are: 86 Foreign, 32 Alien, and 56 Lloyd's Syndicates. The total LESLI Listed companies are 174. For the current LESLI please visit our website- www.slacal.org or call Linda Cheng, the Financial Department Manager.

We welcomed another new employee - William Eakin. William has accepted the position of Web Developer. If you have any website questions please feel free to call William or Dominique Bourdon, the IT Manager.

Welcome to our new members to our organization:

Affordable Home Services, Inc.
Alpha Surety & Insurance Brokerage, LLC
Anchor Bay Insurance Managers, Inc.
Bartoe, Sollie Maxwell
Beach & O'Neill Insurance Associates, Inc.
Benchmark Management Group, Inc.
Bolton & Company (Pasadena, CA)
Brownyard Programs Ltd.
C. Jarvis Insurance Agency, Inc.
CIBA Insurance Services of California, Inc.
Clinton Polley Group, Inc.
Colonial General Insurance Agency, Inc.
Commercial Insurance Under-

writers, Inc.
Endurance Specialty Insurance Marketing Corp.
Ernster, Dawna Louise
Eskue, Sheila Porter
Ethos Insurance Partners, Inc.
Everhart Managing General Agency, Inc.
Folkes, David Alan
Fosdick, John Charles
Freeman, Jeffrey Earl
Haldeman, Harry Horton
Hall, John Joseph
Hall, Samantha Lynn
Herbert L. Jamison & Co., LLC
Hilb Rogal & Hobbs Insurance Services of California, Inc.
Hogan, James Phillip Jr.
InsuranceNoodle, Inc.
Jackson, Thomas Edward
Kurtz, Robert Joseph
Liston, Steven Craig
Madigan, David Patrick Jr.
Marcon, Anthony Gerard
Marine Special Lines Insurance Services, LLC
McLure Insurance Brokerage, Inc.
Midwestern General Brokerage, Inc.
Minicola, Alfred John Jr.
Morton, Rodney Kemp
Myers-Pacific Aviation and Marine Insurance Services, Inc.
Negley Associates, Inc.
Nieder, Richard Dean
Pinkham Agency, Inc.
Quaker Agency, Inc.
Reddekopp, Jonathan Edward
Rooney, Peter Chavey
Russell, John Charles
Schwartz, Kimberly Anne
Steves, Frederick Benteen
Stevoff, David Benjamin

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Teitell, Todd X.
 Tenuto, John Andrew
 Thorson, David Clifford
 Van Wagoner Companies, Inc.

**Total Brokers Added Since
 April 2005: 53**

Total CA Corporate: 534
 Non-resident Corporate: 163
 Total CA Individual: 258
 Non-resident Individual: 136

**Total Membership
 Count: 1092**
(as of July 18, 2005)

Total in CA: 792
 Total Non-Resident: 300

Member Profile



Davis Moore
President and CEO
Worldwide Facilities, Inc.

Davis Moore is the President and Chief Executive Officer of Worldwide Facilities, Inc., which is headquartered in Los Angeles. Davis began his career in 1983 on the underwriting side of the business with Cameron and Colby in New York City. He joined Hogg Robinson in London as a broker in 1984 placing marine, nonmarine and aviation business in Lloyds as well as London company markets before coming to Worldwide.

After graduating from Pepperdine University in 1983 with a degree in business administration, Davis attended the College

of Insurance in New York where he earned a certificate in risk and insurance.

Davis joined Worldwide in 1985 as a broker producing casualty business throughout the Western United States. He was appointed President of Worldwide in 1993 and embarked on a geographic expansion strategy that resulted in the attraction of industry talent as well as the opening of offices in Seattle, Orange County, Phoenix, Atlanta and Sacramento. The company has experienced significant growth during his leadership tenure. Annual premium volume in 1993 was \$45,000,000 and has steadily increased to the current annual level of approximately \$300,000,000. In addition to managing the day-to-day operations of Worldwide, Davis is actively involved in the development of business opportunities for all of Worldwide Facilities operations.

Davis continues to be a proponent of education in the insur-

ance industry. He chairs the Education Committee of the Surplus Line Association of California and Worldwide continues to be a supporter of the NAPSLO Internship Program as a host company for summer interns.

Worldwide Facilities was founded in 1970 and is one of the largest independently owned wholesalers domiciled in the Western United States. In addition to its brokering capabilities, the company also underwrites business as a managing general agent through its wholly owned subsidiary, Heritage General Agency. Worldwide Facilities serves over 3,000 retail agents through its six offices. The company markets all lines of casualty, property and professional liability insurance and enjoys expertise in many industry segments including oil and gas, construction, environmental, DIC and marine.

**TOP 100 CALIFORNIA SURPLUS LINE BROKERS BASED ON
PREMIUM PROCESSED BY THE SLA THROUGH JUNE 30, 2005**

Rank	BROKER	PREMIUM PROCESSED	% OF TOTAL
1	WESTERN RISK SPECIALISTS, INC.	\$158,730,128	5.76%
2	SWETT & CRAWFORD	148,361,022	5.38%
3	AON RISK SERVICES, INC. OF SOUTHERN CALIFORNIA INSURANCE SERVICES	142,261,985	5.16%
4	MARSH USA INC.	128,961,054	4.68%
5	LOCKTON INSURANCE BROKERS, INC.	76,657,392	2.78%
6	AMERICAN E & S INSURANCE BROKERS OF CALIFORNIA, INC.	72,528,611	2.63%
7	STERLING WEST INSURANCE SERVICES, INC.	72,514,283	2.63%
8	AMWINS INSURANCE BROKERAGE OF CALIFORNIA, LLC	69,348,766	2.52%
9	LEMAC & ASSOCIATES, INC.	61,596,353	2.24%
10	COONEY, RIKARD & CURTIN INSURANCE SERVICES OF CALIFORNIA, LLC	59,240,348	2.15%
11	WORLDWIDE FACILITIES, INC.	58,376,497	2.12%
12	STEWART SMITH EAST, INC.	57,210,891	2.08%
13	NAVIGATORS CALIFORNIA INSURANCE SERVICES, INC.	56,673,401	2.06%
14	BURNS & WILCOX INSURANCE SERVICES, INC.	56,524,763	2.05%
15	BISYS COMMERCIAL INSURANCE SERVICES, INC.	55,687,003	2.02%
16	OLD LONDON INSURANCE BROKERS, INC.	53,496,239	1.94%
17	BLISS & GLENNON, INC.	48,339,713	1.75%
18	PARTNERS SPECIALTY GROUP, LLC	39,413,408	1.43%
19	RISK PLACEMENT SERVICES INSURANCE BROKERS	35,984,005	1.31%
20	PROFESSIONAL PRACTICE INSURANCE BROKERS, INC.	34,387,629	1.25%
21	CROUSE & ASSOCIATES INSURANCE SERVICES OF NORTHERN CALIFORNIA, INC.	31,844,439	1.16%
22	HEATH INSURANCE BROKERS INC.	30,076,262	1.09%
23	ECM INSURANCE SERVICES, INC.	29,870,976	1.08%
24	BROWN & RIDING INSURANCE SERVICES, INC.	29,301,510	1.06%
25	WILLIS INSURANCE SERVICES OF CALIFORNIA, INC.	28,443,821	1.03%
26	FIRST STATE MANAGEMENT GROUP, INC.	25,584,278	0.93%
27	BORISOFF INSURANCE SERVICES, INC. (DBA: MONARCH E&S INSURANCE SERVICES)	24,150,114	0.88%
28	WILLIS OF NEW YORK INC	22,522,089	0.82%
29	COMMODORE INSURANCE SERVICES, INC.	21,967,114	0.80%
30	BASS UNDERWRITERS, INC.	21,814,978	0.79%
31	ZURICH E&S INSURANCE BROKERAGE, INC.	21,805,425	0.79%
32	PACIFIC WHOLESALE BROKERS, LLC	21,594,010	0.78%
33	HULL & COMPANY	20,769,188	0.75%
34	WOODRUFF-SAWYER & COMPANY	20,583,701	0.75%
35	COLEMONT INSURANCE BROKERS OF CALIFORNIA LLC	20,196,022	0.73%
36	W. BROWN & ASSOCIATES PROPERTY & CASUALTY INSURANCE SERVICES	20,105,930	0.73%
37	YATES & ASSOCIATES INSURANCE SERVICES, INC.	19,797,242	0.72%
38	TRINITY E & S INSURANCE SERVICES, INC.	18,818,513	0.68%
39	CHARTWELL INDEPENDENT INSURANCE BROKERS, LLC	17,928,150	0.65%
40	CANON INSURANCE SERVICE	17,481,982	0.63%
41	SBIB, INC.	16,617,164	0.60%
42	HULL & COMPANY (CALIFORNIA) INC.	16,507,341	0.60%
43	ARTHUR J. GALLAGHER & CO. INSURANCE BROKERS OF CALIFORNIA, INC. (SF)	16,503,691	0.60%
44	HARRY W. GORST COMPANY, INC.	16,289,150	0.59%
45	CARPENTER & MOORE INSURANCE SERVICES INC.	16,205,759	0.59%
46	LOCKTON COMPANIES, INC.	15,540,946	0.56%
47	M.J. HALL & COMPANY, INC.	15,335,614	0.56%
48	NEITCLEM WHOLESALE INSURANCE BROKERAGE, INC	14,346,474	0.52%
49	PETERSEN INTERNATIONAL UNDERWRITERS	14,325,636	0.52%
50	R.E. CHAIX & ASSOCIATES INSURANCE BROKERS, INC.	13,948,859	0.51%
51	AON RISK SERVICES, INC. OF NORTHERN CALIFORNIA INSURANCE SERVICES	13,291,225	0.48%
52	AIS AFFINITY INSURANCE AGENCY, INC.	12,584,556	0.46%
53	COASTAL BROKERS INSURANCE SERVICES INC.	11,705,848	0.42%
54	CAMPBELL & ASSOCIATES INSURANCE BROKERAGE, LLC	11,307,753	0.41%

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TOP 100 CALIFORNIA SURPLUS LINE BROKERS BASED ON PREMIUM PROCESSED BY THE SLA THROUGH JUNE 30, 2005			
Rank	BROKER	PREMIUM PROCESSED	% OF TOTAL
55	CAMBRIDGE GENERAL AGENCY	11,126,813	0.40%
56	ALL RISKS, LTD.	11,055,487	0.40%
57	CRUMP E&S OF SAN FRANCISCO INSURANCE SERVICES, INC.	9,943,940	0.36%
58	WESTERN SECURITY SURPLUS INSURANCE BROKERS, INC.	9,826,578	0.36%
59	EXCESS & SURPLUS LINES INSURANCE BROKERS, INC.	9,294,717	0.34%
60	ANDERSON & MURISON INC.	9,078,120	0.33%
61	NAS INSURANCE SERVICES, INC.	8,900,003	0.32%
62	INTERNATIONAL E & S INSURANCE BROKERS, INC.	8,898,316	0.32%
63	FRANK CRYSTAL & CO INC	8,764,964	0.32%
64	JAMES KLEIN INSURANCE SERVICE INC.	8,415,135	0.31%
65	AON/ALBERT G. RUBEN INSURANCE SERVICES, INC.	8,406,005	0.31%
66	COLEMONT INSURANCE BROKERS OF CALIFORNIA, LLC	8,396,043	0.30%
67	VULCAN EXCESS & SURPLUS INSURANCE SERVICES, INC.	8,072,519	0.29%
68	RICHTER/ROBB PACIFIC INSURANCE SERVICES, INC.	7,886,608	0.29%
69	AMERICAN E & S INSURANCE BROKERS OF CA, INC. (SAN DIEGO)	7,554,273	0.27%
70	AON RISK SERVICES, INC. OF CENTRAL CALIFORNIA INSURANCE SERVICES	7,482,861	0.27%
71	INTEGRATED RISK SOLUTIONS INSURANCE SERVICES, LLC.	7,158,524	0.26%
72	BROWN & BROWN OF CALIFORNIA, INC.	7,128,936	0.26%
73	CRUMP E&S OF CALIFORNIA INSURANCE SERVICES, INC.	6,861,027	0.25%
74	USI OF SOUTHERN CALIFORNIA INSURANCE SERVICES, INC.	6,826,634	0.25%
75	GALEOTTI, GARY WAYNE	6,650,872	0.24%
76	ROKS AMERICA, INC. INSURANCE BROKERS	6,648,970	0.24%
77	VISTA INSURANCE PARTNERS OF ILLINOIS, INC.	6,626,389	0.24%
78	HDR INSURANCE MANAGERS, LLC	6,601,877	0.24%
79	WESTERN RE/MANAGERS INSURANCE SERVICES, INC.	6,541,712	0.24%
80	REPATH MCAULEY WOODS, LLC	6,478,450	0.24%
81	HEFFERNAN INSURANCE BROKERS	6,343,297	0.23%
82	CRAWLEY WARREN INSURANCE SERVICES, INC.	6,291,939	0.23%
83	LAE INSURANCE SERVICES, INC.	6,290,743	0.23%
84	LONDON AMERICAN GENERAL AGENCY, INC.	6,113,773	0.22%
85	TRANS CAL ASSOCIATES	5,439,739	0.20%
86	DRIVER ALLIANT INSURANCE SERVICES, INC.	5,393,773	0.20%
87	CHUBB CUSTOM MARKET, INC.	5,147,789	0.19%
88	NEW AGE BROKERAGE, INC.	5,133,480	0.19%
89	ACORDIA OF CALIFORNIA INSURANCE SERVICES, INC.	5,088,005	0.18%
90	GEORGE ROTHERT & ASSOCIATES, INC.	4,926,348	0.18%
91	SEABURY & SMITH, INC.	4,891,188	0.18%
92	G.J. SULLIVAN CO. EXCESS & SURPLUS LINES BROKERS	4,887,722	0.18%
93	M & O AGENCIES, INC.	4,817,165	0.17%
94	INTERNATIONAL FACILITIES INSURANCE SERVICES, INC.	4,688,780	0.17%
95	NATIONAL ADVANTAGE INSURANCE SERVICES, INC.	4,469,271	0.16%
96	R.I.C. INSURANCE GENERAL AGENCY, INC.	4,398,950	0.16%
97	ABD INSURANCE AND FINANCIAL SERVICES	4,383,435	0.16%
98	ABRAM, RONALD ALAN	4,367,200	0.16%
99	G.J. SULLIVAN HEALTHCARE INSURANCE SERVICES, INC.	4,306,729	0.16%
100	DEWITT STERN OF CALIFORNIA, LLC	4,268,186	0.15%
SUBTOTAL		\$2,467,732,537	89.56%
ALL OTHERS		287,516,254	10.44%
TOTAL		\$2,755,248,791	100.00%

**TOP 100 NONADMITTED CARRIERS BASED ON
PREMIUM PROCESSED BY THE SLA THROUGH JUNE 30, 2005**

RANK	COMPANY	PREMIUM PROCESSED	% OF TOTAL
1	LEXINGTON INSURANCE COMPANY	\$273,117,526	9.91%
2	STEADFAST INSURANCE COMPANY	171,106,352	6.21%
3	AMERICAN INTERNATIONAL SPECIALTY LINES INSURANCE COMPANY	145,453,208	5.28%
4	ARCH SPECIALTY INSURANCE COMPANY	101,958,966	3.70%
5	SCOTTSDALE INSURANCE COMPANY	95,066,933	3.45%
6	LANDMARK AMERICAN INSURANCE COMPANY	90,044,779	3.27%
7	ADMIRAL INSURANCE COMPANY	83,259,173	3.02%
8	EVANSTON INSURANCE COMPANY	74,917,594	2.72%
9	WESTCHESTER SURPLUS LINES INSURANCE COMPANY	69,269,618	2.51%
10	GEMINI INSURANCE COMPANY	68,423,138	2.48%
11	NIC INSURANCE COMPANY	67,372,420	2.45%
12	ILLINOIS UNION INSURANCE COMPANY	52,629,541	1.91%
13	MT. HAWLEY INSURANCE COMPANY	47,714,951	1.73%
14	ESSEX INSURANCE COMPANY	46,422,296	1.68%
15	LLOYD'S OF LONDON SYNDICATE #0033	44,484,117	1.61%
16	AMERICAN SAFETY INDEMNITY COMPANY	43,057,322	1.56%
17	FIRST SPECIALTY INSURANCE CORPORATION	41,542,368	1.51%
18	COLUMBIA CASUALTY COMPANY	40,914,627	1.48%
19	NORTH AMERICAN CAPACITY INSURANCE COMPANY	40,021,719	1.45%
20	AXIS SPECIALTY INSURANCE COMPANY	39,965,741	1.45%
21	INTERSTATE FIRE & CASUALTY COMPANY	39,698,156	1.44%
22	QUANTA SPECIALTY LINES INSURANCE COMPANY	37,315,666	1.35%
23	LLOYD'S OF LONDON SYNDICATE #2020	33,670,099	1.22%
24	LIBERTY SURPLUS INSURANCE CORPORATION	33,101,481	1.20%
25	EVEREST INDEMNITY INSURANCE COMPANY	31,104,181	1.13%
26	EMPIRE INDEMNITY INSURANCE COMPANY	30,015,800	1.09%
27	PACIFIC INSURANCE COMPANY LTD.	29,699,114	1.08%
28	CENTURY SURETY COMPANY	29,489,571	1.07%
29	COLONY INSURANCE COMPANY	28,715,650	1.04%
30	CLARENDON AMERICA INSURANCE COMPANY	27,167,861	0.99%
31	HOUSTON CASUALTY COMPANY	26,959,605	0.98%
32	BURLINGTON INSURANCE COMPANY	25,799,758	0.94%
33	LLOYD'S OF LONDON SYNDICATE #2623	23,862,157	0.87%
34	AXIS SURPLUS INSURANCE COMPANY	23,042,941	0.84%
35	LLOYD'S OF LONDON SYNDICATE #0623	22,098,970	0.80%
36	HUDSON SPECIALTY INSURANCE COMPANY	22,093,022	0.80%
37	WESTERN HERITAGE INSURANCE COMPANY	22,090,086	0.80%
38	LLOYD'S OF LONDON SYNDICATE #2987	21,950,939	0.80%
39	LLOYD'S OF LONDON SYNDICATE #2001	21,071,674	0.76%
40	LLOYD'S OF LONDON SYNDICATE #2488	19,507,072	0.71%
41	GENERAL STAR INDEMNITY COMPANY	19,088,526	0.69%
42	ST. PAUL SURPLUS LINES INSURANCE COMPANY	18,667,229	0.68%
43	LLOYD'S OF LONDON SYNDICATE #0510	18,452,514	0.67%
44	UNITED NATIONAL INSURANCE COMPANY	17,979,390	0.65%
45	CHUBB CUSTOM INSURANCE COMPANY	17,411,131	0.63%
46	INDIAN HARBOR INSURANCE COMPANY	15,723,704	0.57%
47	GLENCOE INSURANCE LIMITED	14,188,989	0.51%
48	GREAT AMERICAN E&S INSURANCE COMPANY	13,452,222	0.49%
49	NAUTILUS INSURANCE COMPANY	12,927,421	0.47%
50	LLOYD'S OF LONDON SYNDICATE #2003	12,851,124	0.47%
51	COMMONWEALTH INSURANCE COMPANY	11,342,048	0.41%
52	FIRST MERCURY INSURANCE COMPANY	11,308,764	0.41%
53	NATIONAL FIRE & MARINE INSURANCE COMPANY	11,061,888	0.40%
54	LLOYD'S OF LONDON SYNDICATE #0570	10,680,207	0.39%
55	NEWMARKET UNDERWRITERS INSURANCE COMPANY	10,572,893	0.38%
56	AMERICAN EMPIRE SURPLUS LINES INSURANCE COMPANY	10,498,729	0.38%
57	JAMES RIVER INSURANCE COMPANY	10,363,036	0.38%

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**TOP 100 NONADMITTED CARRIERS BASED ON
PREMIUM PROCESSED BY THE SLA THROUGH JUNE 30, 2005**

RANK	COMPANY	PREMIUM PROCESSED	% OF TOTAL
58	STARR EXCESS LIABILITY INSURANCE COMPANY, LTD.	9,845,385	0.36%
59	SR INTERNATIONAL BUSINESS INSURANCE COMPANY LIMITED	9,771,402	0.35%
60	LLOYD'S OF LONDON SYNDICATE #0435	9,591,502	0.35%
61	LLOYD'S OF LONDON SYNDICATE #2791	9,433,658	0.34%
62	ASPEN SPECIALTY INSURANCE COMPANY	9,001,120	0.33%
63	HOMELAND INSURANCE COMPANY OF NEW YORK	8,864,282	0.32%
64	NOETIC SPECIALTY INSURANCE COMPANY	8,819,216	0.32%
65	USF INSURANCE COMPANY	7,913,018	0.29%
66	EXECUTIVE RISK SPECIALTY INSURANCE COMPANY	7,752,068	0.28%
67	LLOYD'S OF LONDON SYNDICATE #1243	7,665,737	0.28%
68	NUTMEG INSURANCE COMPANY	7,218,155	0.26%
69	TUDOR INSURANCE COMPANY	6,995,761	0.25%
70	LLOYD'S OF LONDON SYNDICATE #0190	6,725,493	0.24%
71	LLOYD'S OF LONDON SYNDICATE #5000	6,620,864	0.24%
72	NORTHFIELD INSURANCE COMPANY	6,534,438	0.24%
73	GREAT LAKES REINSURANCE (UK) PLC	6,450,153	0.23%
74	ALEA LONDON LIMITED	6,395,369	0.23%
75	LLOYD'S OF LONDON SYNDICATE #1084	6,059,330	0.22%
76	MOUNT VERNON FIRE INSURANCE COMPANY	6,017,752	0.22%
77	PENN-STAR INSURANCE COMPANY	5,931,119	0.22%
78	LLOYD'S OF LONDON SYNDICATE #0958	5,877,423	0.21%
79	LLOYD'S OF LONDON SYNDICATE #0727	5,668,515	0.21%
80	DISCOVER SPECIALTY INSURANCE COMPANY	5,554,696	0.20%
81	LLOYD'S OF LONDON SYNDICATE #1183	5,479,522	0.20%
82	GULF UNDERWRITERS INSURANCE COMPANY	5,452,434	0.20%
83	LLOYD'S OF LONDON SYNDICATE #1200	4,390,667	0.16%
84	LLOYD'S OF LONDON SYNDICATE #1206	4,275,965	0.16%
85	LLOYD'S OF LONDON SYNDICATE #2000	4,141,362	0.15%
86	LLOYD'S OF LONDON SYNDICATE #1414	3,995,134	0.15%
87	WESTERN WORLD INSURANCE COMPANY	3,928,984	0.14%
88	LLOYD'S OF LONDON SYNDICATE #0807	3,781,103	0.14%
89	ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED	3,722,640	0.14%
90	GOETHAM INSURANCE COMPANY	3,531,858	0.13%
91	AMERICAN WESTERN HOME INSURANCE COMPANY	3,480,624	0.13%
92	LLOYD'S OF LONDON SYNDICATE #1861	3,284,892	0.12%
93	LLOYD'S OF LONDON SYNDICATE #1007	3,276,718	0.12%
94	LLOYD'S OF LONDON SYNDICATE #1225	3,093,901	0.11%
95	CRUM & FORSTER SPECIALTY INSURANCE COMPANY	2,886,136	0.10%
96	QBE SPECIALTY INSURANCE COMPANY	2,695,124	0.10%
97	MIITSUI SUMITOMO INSURANCE COMPANY, LIMITED	2,671,238	0.10%
98	MAXUM INDEMNITY COMPANY	2,659,478	0.10%
99	ADRIATIC INSURANCE COMPANY	2,396,585	0.09%
100	LLOYD'S OF LONDON SYNDICATE #4472	2,362,936	0.09%
SUBTOTAL		\$2,663,979,765	96.69%
All Others		91,269,026	3.31%
TOTAL		\$2,755,248,791	100.00%

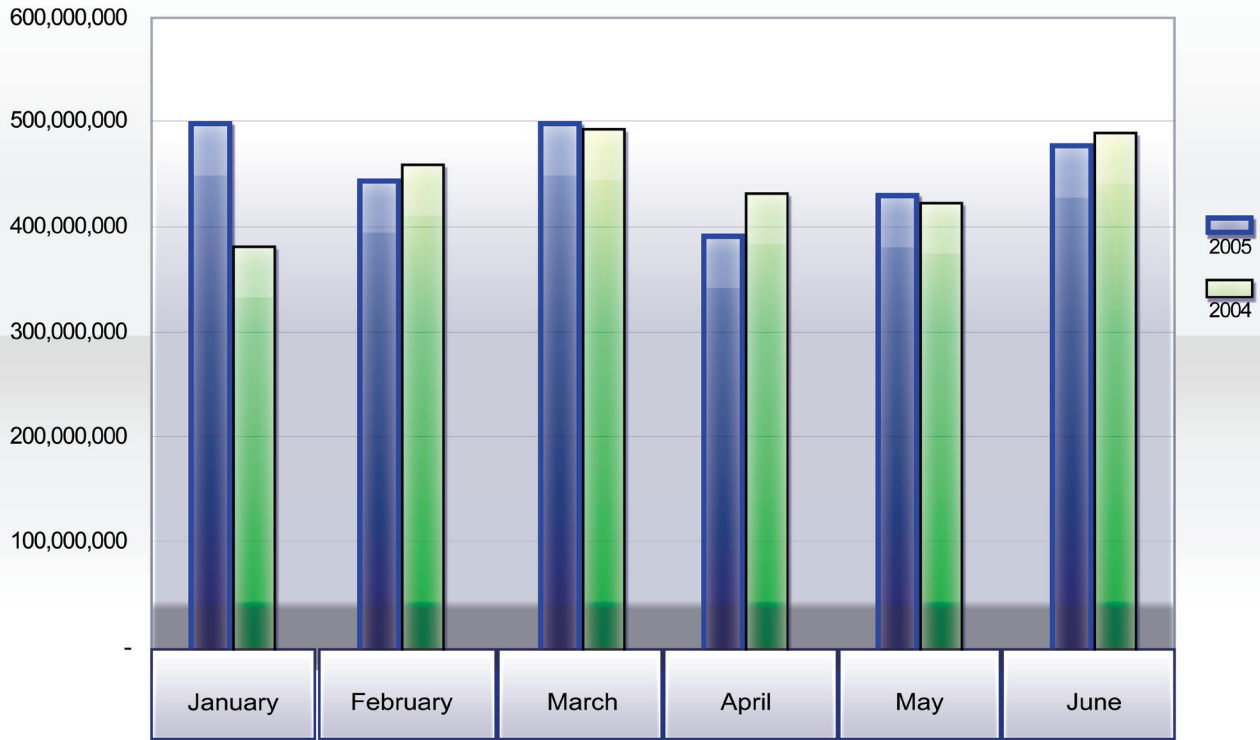
PREMIUM TOTALS BY COMPANY TYPE

	6/30/2005	Revised 6/30/2004	% GROWTH	% of Total 2005
LESLI LISTED COMPANIES				
FOREIGN INSURERS	\$2,300,166,312	\$2,193,682,214	4.85%	83.48%
LLOYD'S SYNDICATES	347,951,196	358,240,388	-2.87%	12.63%
ALIEN INSURERS	70,839,651	97,203,475	-27.12%	2.57%
SUB TOTAL	\$2,718,957,159	\$2,649,126,077	2.64%	98.68%
ALL OTHER	36,291,632	39,993,410	-9.26%	1.32%
TOTAL	\$2,755,248,791	\$2,689,119,487	2.46%	100.00%

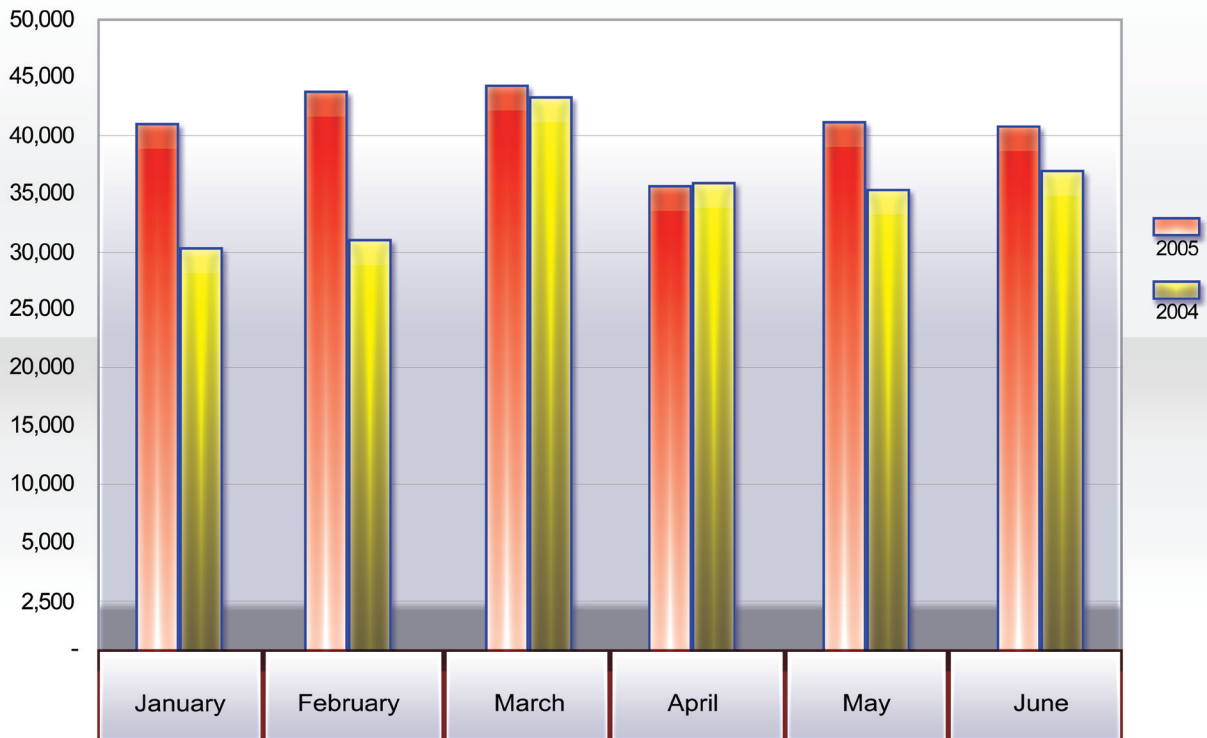
**50 LARGEST COVERAGE CODES BASED ON
PREMIUM PROCESSED BY THE SLA THROUGH JUNE 30, 2005**

RANK	EXPORT	COVERAGE DESCRIPTION	PREMIUM PROCESSED	% OF TOTAL
1		GENERAL LIABILITY	\$1,072,271,312	38.92%
2		ERRORS AND OMISSIONS	274,995,206	9.98%
3		ALL RISK COMMERCIAL PROPERTY	201,215,758	7.30%
4		COMMERCIAL DIC/STAND ALONE EARTHQUAKE	194,086,900	7.04%
5		SPECIAL MULTI-PERIL	126,029,287	4.57%
6	YES	CONTRACTORS ENGAGED IN NEW TRACT HOMES	119,347,557	4.33%
7		EXCESS LIABILITY	111,430,736	4.04%
8	YES	ENVIRONMENTAL IMPAIRMENT REMEDIATION	84,416,438	3.06%
9	YES	EXCESS LIABILITY/UNDERLYING NONADMITTED	81,435,596	2.96%
10		PROFESSIONAL LIABILITY	76,985,604	2.79%
11		DIRECTORS AND OFFICERS	75,081,779	2.73%
12	YES	EMPLOYMENT PRACTICES LIABILITY	37,743,649	1.37%
13	YES	PRODUCTS/COMPLETED OPERATIONS (STAND ALONE)	28,009,475	1.02%
14		INLAND MARINE	23,873,555	0.87%
15		HOMEOWNERS MULTI-PERIL	23,051,627	0.84%
16		MISCELLANEOUS	22,743,087	0.83%
17	YES	INDIV INSURED W/LARGE SCHED TIV > \$500M	15,740,912	0.57%
18	YES	HIGH LIMITS DISABILITY	14,646,212	0.53%
19		AUTO PHYSICAL DAMAGE-COMMERCIAL	13,375,136	0.49%
20		COMMERCIAL PROPERTY-BASIC	12,370,896	0.45%
21		HOSPITALS	12,326,950	0.45%
22		HOMEOWNERS	12,051,718	0.44%
23		GARAGE LIABILITY	11,666,361	0.42%
24	YES	SECURITY GUARD SERVICES	8,340,191	0.30%
25		AUTO LIABILITY-COMMERCIAL	7,622,717	0.28%
26		SINGLE FAMILY DWELLING/DUPLEX	7,251,724	0.26%
27		AVIATION	6,551,837	0.24%
28		AUTO COMBINED LIAB & PHYS DAMAGE-COMM.	6,549,802	0.24%
29		TERRORISM	6,245,457	0.23%
30		ACCIDENT	5,488,347	0.20%
31	YES	EVENT CANCELLATION	5,380,368	0.20%
32		SPECIAL MULTI-PERIL WITH TERRORISM	4,858,921	0.18%
33		FIDELITY	3,040,656	0.11%
34		DISABILITY INCOME	2,930,870	0.11%
35	YES	AVIATION EXCESS LIABILITY	2,883,878	0.10%
36	YES	VACANT BUILDINGS	2,211,617	0.08%
37	YES	KIDNAP AND RANSOM	2,141,098	0.08%
38	YES	CLINICAL & SIMILAR TESTS OF PHARMACEUTICAL	2,087,231	0.08%
39	YES	PERSONAL ARTICLES FLOATERS	1,773,663	0.06%
40		BONDS	1,772,417	0.06%
41	YES	OILFIELD CONTRACTORS	1,753,462	0.06%
42	YES	AMUSEMENT PARKS/CARNIVALS/DEVICES	1,744,229	0.06%
43	YES	DEMOLITION CONTRACTORS	1,703,972	0.06%
44		CRIME	1,650,400	0.06%
45	YES	AMBULANCE SERVICES INC. PROF LIABILITY	1,605,186	0.06%
46		RESIDENTIAL EARTHQUAKE	1,480,220	0.05%
47	YES	EXCESS CRIME	1,119,263	0.04%
48	YES	EXPLOSIVES MFG/SALES/STORAGE	1,094,254	0.04%
49	YES	EXCESS FLOOD	1,012,384	0.04%
50	YES	SHORT TERM SPECIAL EVENTS (EXC HOLE IN ONE)	971,110	0.04%
		SUBTOTAL	\$2,736,161,025	99.31%
		ALL OTHERS	19,087,766	0.69%
		TOTAL	\$2,755,248,791	100.00%

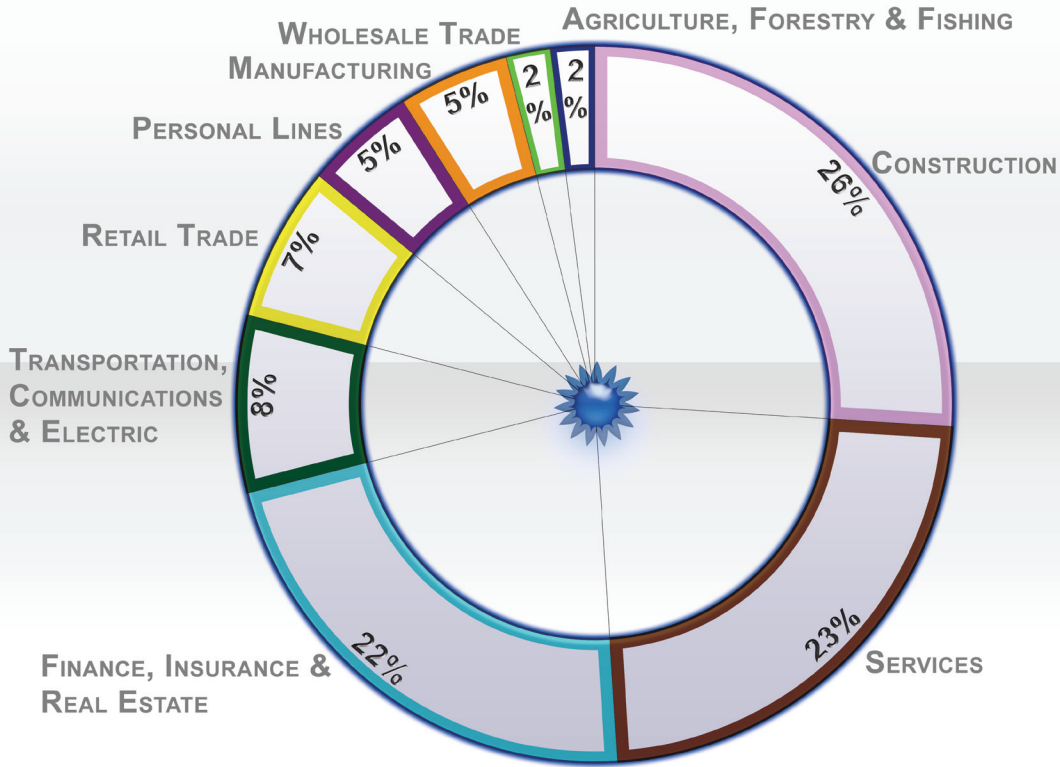
COMPARISON OF PREMIUM PROCESSED FOR 1ST SIX MONTHS 2005 vs 2004



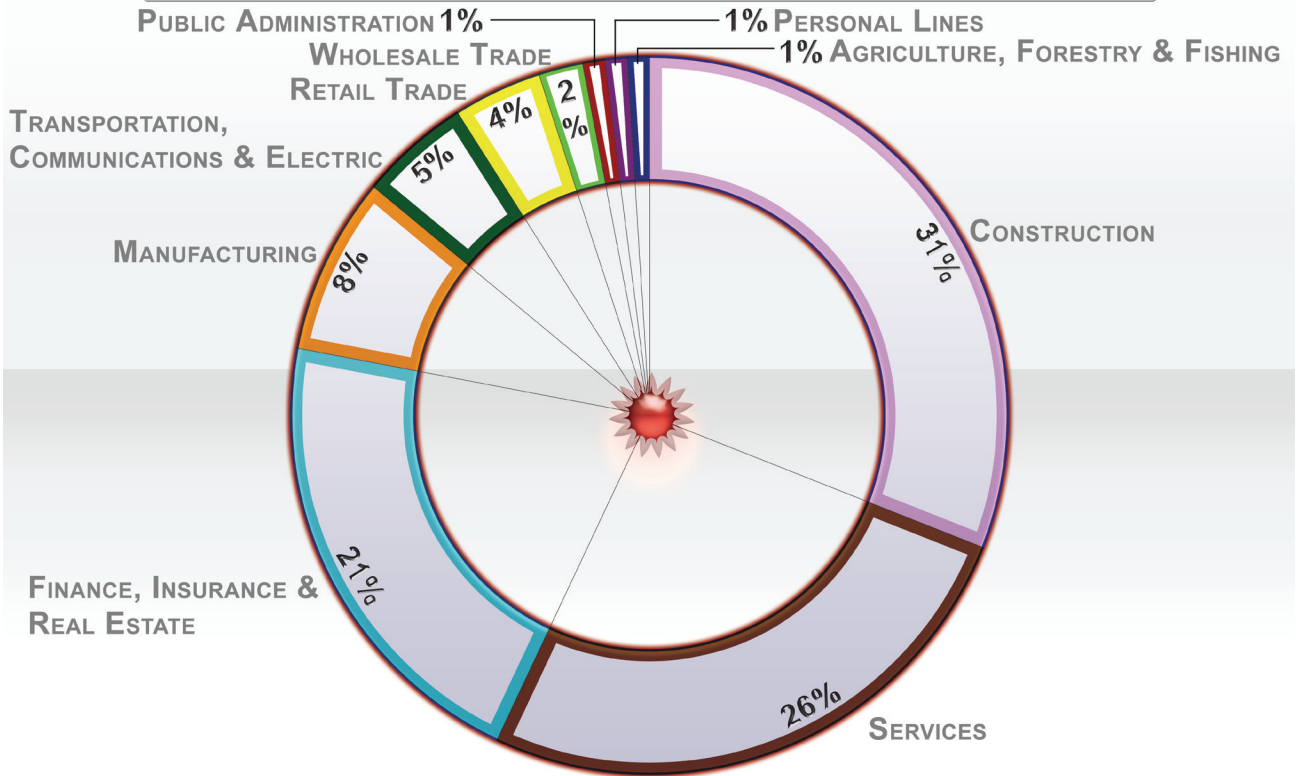
COMPARISON OF ITEMS PROCESSED FOR 1ST SIX MONTHS 2005 vs 2004



ITEM COUNT BY SIC DIVISIONS FROM JANUARY THROUGH JUNE 2005



PROCESSED PREMIUM BY SIC DIVISIONS FROM JANUARY THROUGH JUNE 2005



Charts do not include SIC Divisions with item count or premium processed under 1%

Surplus Line Association of California

Scheduled Educational Events for August 2005

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

TAKE IT APART QUICKLY™ GL AND UMBRELLA LIABILITY

This workshop is designed to teach agents and brokers how to understand and analyze GL and Umbrella policies, with the emphasis on non-standard policy forms. By learning how to take apart these policies and analyze various quotes, students will better serve their clients as well as avoid E&O situations that can arise when encountering non-standard GL policies and when placing Umbrella Liability and Excess Liability coverages.

Presented by:

Laura S. Danoff, CPCU
L S Danoff Educational Enterprises

Registration & Continental Breakfast 7:30 a.m.
Seminar 8:00 a.m. – 12:00 p.m.
4 CE Credits – Course #103379

Wednesday, August 10, 2005

Hilton Irvine/Orange County Airport
18800 MacArthur Boulevard
Irvine, CA 92612

2005

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