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SLA ELECTS OFFICERS

Presiding over the Surplus Line Association of California's 70th Annual Meeting held in Northern California on January 30 and Southern California on January 31, 2008, the Association Chairman, Ceil Norton called the meeting to order and



Warren Stanley
Chairman, 2008



John Edack
Vice Chairman, 2008



Les Ross
Secretary-Treasurer, 2008

thanked the Executive Committee and her standing committee chairs for their dedication and service to the

industry. In reviewing the year, Chairman Norton noted that an independent member satisfaction survey gave the SLA a 98 percent approval rating. Further good news during the year included the announcement by the California Department of Insurance that brokers can maintain their surplus line transaction documents in electronic format and that surplus line brokers do not need to perform a diligent search or attach the SL forms on 90-day policy term extensions as of January 1, 2008.

After reports from the Secretary-Treasurer, Executive Director, and the Director of the Stamping Office, Chairman Norton moved to the major business item of the meeting – the election of officers. The meeting attendees were read the slate of officers and executive committee members who had been nominated to serve in 2008. The

nominees are as follows: Warren Stanley of Wholesale Connection Insurance Services, as SLA Chairman. The other two elected officers included John Edack of Arch Specialty Insurance Agency, Inc., as Vice Chairman, and Les Ross of Tri-City Brokerage, a division of BISYS Commercial Insurance Services, Inc., as

Members attending the SLA Annual Meeting approved the nominating committee slate of officers. At the conclusion of the meeting, SLA Vice Chairman, John Edack presented the outgoing Chairman, Ceil Norton with a replica of the Lutine Bell that hangs in the trading room of Lloyd's.

Secretary-Treasurer. The remaining Executive Committee nominees included Ceil Norton of Burns & Wilcox (Past Chair), Patrick Hanley of Socius Insurance Services, Inc., Frank Cravens of M.J. Hall & Company, Inc., Doris Barnett of Colemont Insurance Brokers, Anne McNally of ABD Insurance Services Financial, Gerald J. Sullivan of Gerald J. Sullivan & Associates, Inc., Davis Moore of Worldwide Facilities, Inc., Chris Brown of Brown & Riding Insurance Brokers, Kris Bauer of AmWINS Insurance, and Phil Mazur of Swett & Crawford.

The Chairman then asked for any outstanding nominations from the floor, hearing none,

the slate of nominees were put to a vote which was unanimous in its favor of the slate. The Chairman also asked for a vote to approve the appointment of Justice Harry Low (Ret.) for a one year term as SLA Arbitrator. The motion to appoint Harry Low as Arbitrator passed by unanimous vote. The Chairman then called upon the SLA General Counsel, Rick Brown of Dewey & LeBoeuf to provide a legal update.

At the conclusion of the business meeting, John Edack presented the outgoing Chairman Ceil Norton, with a replica of the Lutine Bell, that hangs in the trading room of Lloyd's, as a token of appreciation for her year of service.

In accordance with the Plan of Operation for duties as the surplus line advisory organization under California Insurance Code Section 1780.56(a)(2), the SLA reviews and analyzes financial documents as requested by the Commissioner with respect to foreign and alien non-admitted insurers applying for surplus line eligibility and those insurers whose eligibility has already been approved. Based on its review and analysis, SLA prepares security summary reports in a format agreed upon with the Commissioner.

LEGAL UPDATE

CALIFORNIA'S LESLI APPLICATION PROCESS - AN OVERVIEW

California established its List of Eligible Surplus Line Insurers ("LESLI") in 1995 pursuant to California Insurance Code ("CIC") § 1765.1. Nonadmitted insurers seeking to write surplus line business in California must first secure approval from the California Department of Insurance ("CDI") to be added to LESLI. Except for risks that qualify under the GAP Provision Exemption under CIC 1765.1 (k) and exempt lines placed through special lines' surplus line brokers under CIC 1760.5, California surplus line brokers must place properly exportable business only with LESLI-listed nonadmitted insurers.

The CDI's review and approval of LESLI applications can be a time-consuming and complicated process. A thorough evaluation of the application is necessary to determine that the nonadmitted insurer meets the financial and

operational standards established by the CDI.

Each LESLI application is unique. Some applicants are alien insurers (i.e. non-US domiciled insurers), others are newly formed insurers without a sustained track record or established operating history, and yet others may not have fully-seasoned experience writing direct business on a nonadmitted basis and/or the class of insurance the insurers propose to offer in California. Thus, there is no "one size fits all" regulatory review template for LESLI applications; each must be thoroughly reviewed on a case-by-case basis on its own merits. The LESLI application review process invariably surfaces issues that prompt requests for clarification or additional information. In some cases, the CDI chooses to meet with the applicant's management, as well as the applicant's counsel or other advisers.

The SLA's Financial Department works very closely with the CDI in conducting its financial review of each new LESLI application. The appli-

cation, is separately reviewed by the Financial Analysis Division, Legal Division, and Licensing and Investigation Bureau.

When applicants do not respond promptly or completely to the SLA's and/or CDI's requests for additional information, substantial delays can occur. In some situations, applicants also may request that the CDI defer review of their LESLI application pending completion of corporate

transactions (e.g. merger and acquisition) or other developments that may have a material impact on the applicant's operations.

SLA Members and nonadmitted insurers should be aware that the LESLI approval process is a team effort between the SLA and the CDI to protect the interests of California insureds, brokers and agents from financially weak or poorly managed companies

EXECUTIVE DIRECTOR'S ADDRESS - SLA ANNUAL MEETING 2008



Ted Pierce
Executive Director

Thank you, Ceil. I certainly enjoyed working with you this year.

You have the skill and the art, and you cast a great image for the SLA.

I appreciate your vitality, your rational judgment and your willingness to make decisions, both big and small. Ceil is quick to praise and always looking for opportunities to find someone doing something right. These are just some of the distinguishing qualities of Ceil Norton.

Turning to the SLA internal operations, in the area of information technology, the SLA's ability to collect, analyze and disseminate information is key to fulfilling our mission. You are soon to experience advances in technology and an explosion of information thanks to the software development project we have currently engaged.

The SLA is in the process of launching an electronic filing system that eliminates the need for hard copy submissions. The goal is for agency management systems to submit batch filings in the form of data and images directly to the SLA database. Currently, several brokers, their IT staffs, and vendors can test the application. When their test-

ing is successful, brokers can begin filing their batch filings electronically with the SLA. Later this year, another electronic interface will be available that involves manually logging into the SLA website to upload broker data and images. Brokers that want to join the test environment and become electronic filers must first register for the SLA Broker Extranet by contacting support@slacal.org. The Electronic Filing System allows brokers to reply and/or print tags with attachment, view and/or print invoices, view and/or print your SLA filing history, upload and/or file XML data batches, and upload and/or file Image batches.

In the area of education, the SLA has continued to provide substantive, well attended seminars for continuing education credits. We want to tap your expertise. Your variety of perspectives and skills gives this organization a renewable source of qualified, forward thinking leaders who reflect the innovation and creativity of the surplus line marketplace.

The SLA data processing department is responsible for receiving, processing, recording, and storing required filings in accordance with the insurance code.

The SLA data processing department processed 490,000 of your surplus line policies in

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2007.

During the course of the year, the SLA Financial Department received from the Insurance Department, 12 new applicants for eligibility on the List of Eligible Surplus Line Insurers. The SLA Financial Department assists the Department of Insurance in evaluating and monitoring the financial condition of insurers who are eligible to operate in California on a surplus lines basis.

As of December 31, 2007, there were 91 foreign insurers and 30 alien insurers on the California List of Eligible Surplus Line Insurers (the LESLI). During 2007, the California Department of Insurance added four foreign insurers, three alien insurers, and nine Lloyd's syndicates to the LESLI.

These insurers are reviewed by the SLA on an ongoing basis to ensure continued eligibility. The evaluation process is to ascertain that each insurer meets the financial stability, integrity and reputation standards established by the California Department of Insurance. This also includes collecting and reviewing all regulatory filings by the insurers for compliance with California requirements. An insurer who fails to meet these requirements is brought to the attention of the Insurance Department promptly for regulatory action to protect California consumers.

In 2007, the SLA issued 30 bulletins. These substantive communique's included Bulletin, 1141, describing the provisions of Assembly Bill 522 – which provides for a 90-day policy term extension on surplus line policies without having to perform a diligent search or attach SL forms. The bill also describes the timing required on the D-1 disclosure notice on personal lines policies.

Bulletins 1140 & 1134, attempted to clarify the new surplus line broker licensing fees and who must be licensed as a result of Assembly Bill

1639. Bulletin 1127 announced that brokers no longer need to retain their surplus line regulatory filing records in hard copy format. These five-year records can now be maintained electronically. Bulletin 1123 provided clarification from our general counsel as to the legality of independent procurement and courtesy filing in California. I encourage you to review the SLA bulletins and take a look at the top most important bulletins viewable on our web site under "Publications". Some of these top bulletins go as far back as 1992.

Moving on, with the election of Steve Poizner as Insurance Commissioner, we have seen a positive step forward in the modernization of the Insurance Department and improved cooperation with the industry in dealing with consumer, social, and economic issues. Steve Poizner is a Commissioner who wants to do the right thing. Among his initiatives is a top down review of the Department with the intension of adopting zero-based budgeting. Steve Poizner has also called for the Department to become paperless.

As part of this modernization, on November 7, 2007 the Department of Insurance released a new version of its online Fast Licensing Application Service for surplus line broker applicants, both resident and nonresident. The applicants that apply online receive a checklist that provides a list of any additional information that needs to be submitted prior to licensure. The checklist includes a copy of the Surplus Line and/or Special Lines' Surplus Line Endorsement Authorization form. The online application also calculates license fees to ensure the proper fees are being submitted.

I want to recognize and praise the regulators that are here from the California Department of Insurance:

From the Financial Analysis Division in Los Angeles: Bob Loo, Emma Hirschhorn, Adolfo

Since November 7, 2007, the Department of Insurance has offered an online fast licensing application service for surplus line broker applicants. The applicants that apply online receive a checklist that provides a list of any additional information that needs to be submitted prior to licensure. The online application also calculates license fees to ensure the proper fees are being submitted (see www.insurance.ca.gov).

Cagulada, Olivia Escriba, Mariza Lubrica.

From the Premium Tax Audit Bureau in Los Angeles: Robert Palumbo, David Okumura, Shirley Villalon, Virginia Quijano, Jenny Chuang.

From the Department of Insurance Legal Division: Jill Jacobi.

On the national scene, with Congressional action complete on the Terrorism Risk and Insurance Act extension, and the Federal Flood Insurance Program legislation, Congress may take a second look at the Nonadmitted and Reinsurance Reform Act (NRRRA) (HR 1065 and S. 929). This is the bill that attempts to create a national standard for the states for how they regulate, collect, and allocate surplus line premium taxes. The bill would also establish national standards for surplus line insurer eligibility and national standards for how states regulate reinsurance.

In a parallel effort, the SLA is seeking a state-based solution to the complex problems posed to surplus line brokers who attempt to allocate premium taxes on multi-state policies. A Surplus Lines Insurance Multi-State Compliance Compact (SLIMPACT) has been drafted by the stamping offices, AAMGA and NAPSLO. The compact is intended to facilitate the payment, collection, and distribution of premium taxes on multi-state surplus line insurance policies.

The compact is essential to streamlining and improving the efficiency of the surplus line market by eliminating duplicative and conflicted tax and regulatory requirements between the states.

As a former federal lobbyist, I can tell you that if the states do not produce a solution, and fast, Congress will act. And when they do, they will do so without regard for the current state insurance regulatory regime that established the surplus

line market as we know it today. Congress is also likely to have little or no regard for the wholesale insurance distribution system. This is why a multi-state compact is a necessity. The compact is in the final stages of drafting and should be ready for introduction in the state legislatures this quarter.

The 14th annual "A.M. Best Company Special Report on the Surplus Lines Market" was released on October 1, 2007. The report indicates that surplus lines grew 173 percent among domestic



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professional carriers over the past five years (2002 – 2006), far faster than the total U.S. property/casualty market. According to the report, U.S. surplus lines share of the commercial lines market was 14.4 percent in 2006. The surplus lines industry posted strong underwriting results in 2006, with a combined ratio of 79.6 for domestic professional writers, aided by light catastrophic losses and disciplined underwriting. No financial impairments were reported in 2006 among surplus lines companies, which have outperformed the total property/casualty industry in this regard. Catastrophe-exposed coastal property remained a notable exception to the market's softening – a

A Surplus Lines Insurance Multi-State Compliance Compact (SLIMPACT) has been drafted by the stamping offices, AAMGA, and NAPSLO that would facilitate the payment, collection, and distribution of premium taxes on multi-state surplus line insurance policies. The compact is essential to streamlining and improving the future efficiency of the surplus line market by eliminating duplicative and conflicting tax and regulatory requirements between the states.

benefit to surplus lines writers.

In July of 2007, A.M. Best affirmed the "A" financial strength rating for Lloyd's and upgraded their issuer credit rating from "A" to "A+".

In conclusion, the SLA is well on its way to automating its processes which will bring benefit to the brokers in the form of a streamlined filing process. Most importantly, we have benefited to a great extent, from the broking communities' understanding and respect for the rules of surplus lines

in California. With cooperation of the California Legislature, the Department of Insurance is leading the charge in the effort to modernize insurance regulation. The SLA has positioned itself to implement these changes and potential changes in 2008. We continue to perform our statutory and regulatory duties to the fullest extent in cooperation with our colleagues at the California Department of Insurance. This has been and continues to be a successful joint arrangement.

Thank you very much.

The SLA electronic filing system was launched at the end of 2007 with capability to handle automatic e-filing of batches. This is a drastic change in procedure for the brokers. Brokers can now log into the broker extranet and upload their batches as well as attach documents to respond to tags. We are planning more options that provide additional ease to the broker workload.

REPORT OF THE DIRECTOR OF THE STAMPING OFFICE



Joy Laughery
Director,
Stamping Office

As predicted, 2007 brought many changes to the SLA. With the development of the new electronic filing system and the new licensing laws, 2008 is shaping up to be another big year of change as well.

Our electronic filing system was launched at the end of 2007 with the capabilities to handle automatic e-filing of batches (no human interaction). This is a drastic change in procedure for the brokers as well as the SLA staff. We are also on track to have brokers log into our broker extranet and upload their batches as well as attach documents to respond to tags. Previously you could only respond to tags online that did not need supporting documentation. We are very pleased with these options and hope to continue providing additional options in which brokers can ease their workload by filing their SLA batches on-line. The SLA has contacted 50 of the top filers – both premium and transactions. We are currently working with those brokers on how to set up their electronic filing system. If you would like to learn more about these options

please contact us at support@slacal.org. The IT dept. will assist you in getting your company on the path of paperless filings.

Another development was the new licensing law (AB 1639) that went into effect January 1, 2008. The law imposes the prerequisite that brokers that are endorsed transactors to organizational surplus line broker licenses, must be individually licensed as a surplus line broker. Surplus line broker licenses can now be obtained on-line at the California Department of Insurance website <http://www.insurance.ca.gov>.

As 2007 came to an end, we recorded a downturn in the surplus line market. The SLA processed \$ 5,863,961,992 in premiums. This is a decline of 2.67% compared to 2006. General Liability, Commercial DIC/Stand alone Earthquake, and Errors and Omissions respectively were the top coverages.

Please note that the state tax forms are currently available on the Department of Insurance website as well as the home page of the SLA website. The deadline for the state tax filing is March 1. A recap of your surplus lines filing was included with your final invoice in 2007. This recap was informational only, and was not meant to be

directly transposed onto your tax filing. The end of year statement did not include batches we received but did not process.

Please mark your calendars for the Western States Surplus Lines Conference. To be hosted by the Surplus Line Association of Oregon, the conference will run from Sunday, July 13th to Wednesday, July 16th. The location is the Sunriver Resort in Sun River, Oregon (see www.wsslc08conference.com).

We would like to welcome our newest brokers:

New Brokers Added Since October 2007

AIX, Inc.
American Risk Inc.
Ames & Gough Insurance/Risk Management Inc.
Aspen Specialty Insurance Solutions, LLC
Bareno, Pauline Janice
Bernay, Michael John
Bildsoe, Paul Sheridan
Byers, Eric Carl
Camford National Insurance Brokers, LLC
Campbell, Terry Allen
Centurion Liability Insurance Services, LLC
Chapton, Terri Miyoi
Clements & Co.
Community Association Insurance Solutions, LLC
Cornerstone E & S Insurance Services, Inc.
Corporate Insurance Services, Inc.
CRIBA, Inc.
Dillon, Thomas Frederick
Duran Garcia, Daniel
Edgewood Partners Insurance Center
Eldredge, Christopher G
Emmett W. MacCorkle Inc. Insurance Services
Enterprise for American Insurance Agents, Inc.
Farwest Specialty Insurance Services, Inc.
Fitzpatrick, Bryan Michael
Flying J. Insurance Services Inc.

Forde, Deborah Maureene
Forstner, Steven Eugene
Garguilo, Michael Allan
Gibbs, Leanna Lorraine
GMAC Risk Services, Inc.
Harris, Blaise Andrew
HNI Truck Group, LLC
Holzman, Michael James
Insential, Inc.
Ironwood Surplus, Inc.
Johnson, Amanda Blanche
JWCIB, Inc.
Leiske, Cindy Lee
Lim, Reminia Bobadilla
Limbo, Kurtis Lee
Loconti-Diaz, Karen Marie
Lunati, Peter John
Lund, Gary Douglas
Lynch, Mona Elisabeth
Manning & Smith Insurance, Inc.
Max California Insurance Services Ltd.
McConlogue, Robert Sean
Medlen, Victoria Lenore
Micheals, Christopher Charles
M-J Insurance, Inc.
Moorpark Brokerage Insurance Services, Inc.
North Shore Management Associates, Inc.
O'Neal, Kevin Chaney
Ott, Lisa Mahala
Pacific Ocean Marine Insurance Brokers, Inc.
Paulk, John Irvine Jr.
PDP Group, Inc.
Piscitello, Lisa Gay
Quarantello, Joseph William Jr.
Radowicz, Rita Josephine
Reyes, Ella Avellanosa
RMA Insurance Services, Inc.
Robyn, Brenda Jo
Sadler, Michael Steven

In 2007, we recorded a downturn in the surplus line market. The SLA processed \$5,863,961,992 in premiums. This is a decline of 2.6% compared to the 2006 total. General liability, commercial DIC/stand alone earthquake, and errors and omissions were the top coverages.

Schoonover, Brian Alan
 Sherman Parent Prince & Fleming
 Insurance Brokers, Inc.
 Specialty Risk Solutions, LLC
 Stock, John Van Maren
 Teese, Roger Dwight
 Thandi, Jasbir Singh

Thompson, Hallil
 Thorne, Mark David
 Transwestern General Agency, Inc.
 U.S. Risk, Inc.
 VRT Insurance Services, Inc.
 Wiley, Kevin Lloyd
 Willis of Illinois, Inc.

Total Brokers Added Since October 2007: 81

CA Corporate:	582	Non-Resident Corporate:	287
CA Individual:	517	Non-Resident Individual:	272
Total CA	1,099	Total Non-Resident	559

Total Membership Count: 1,658

(as of February 5, 2008)

This list does not include 973 new licensees added in January 2008.

In late 2007, London American was acquired by national wholesale insurance broker AmWins Group, Inc., and the company's name was changed to AmWins Transportation Insurance Services (ATIS). Joe Pospichal serves as Vice President and provides IT services to the firm and its employees.

MEMBER PROFILE



Joe Pospichal
 Vice President
 AmWINS
 Transportation
 Insurance Services
 (ATIS)

Since joining London American General Agency in 1999, Joe Pospichal has served a broad range of roles at the company, from programmer to COO and President. In late 2007, London American was acquired by national wholesale insurance broker AmWINS Group, Inc. and the company's name was changed to AmWINS Transportation Insurance Services (ATIS). Currently, he serves as Vice President and provides IT functions to the firm and its employees.

Joe is a candidate for Associate in Surplus Lines Insurance from the Insurance Institute of America. He has a Master of Software Engineering from Texas Christian University and a Bachelor of Science in Computer Information Systems from California State Polytechnic University.

An avid athlete, Joe ran the Angeles Crest 100, a 100 mile trail run. In 2003, he completed the Ironman Hawaii with a 2.4 mile swim, 112 mile bike ride and then a 26.2 mile run. Additionally, he has completed 8 other Ironman distance triathlons and is training for this year's Ironman China, Ironman Arizona and Ironman Canada. He also enjoys camping and off-road motorcycle riding with his family in the deserts of Southern California.

AmWINS Transportation Insurance Services (ATIS) is a full-service managing general agent and program underwriter for the commercial transportation business with a special focus on limousines, truckers and transportation. Through technology and a full-service approach to underwriting, ATIS emphasizes integrity, service and value in their operation. They are an active member of numerous insurance organizations, including NAPSLO, PLUS, CIWA and AAMGA.

Top 100 California Surplus Line Brokers

Continued on Page 10

Based on Premium Processed by the SLA During 2007

RANK	BROKER	PREMIUM PROCESSED (\$ in millions)		% CHANGE 2007 - 2006	% OF TOTAL 2007	
		2007	2006			
1	1	WESTERN RISK SPECIALISTS, INC.	\$514.4	\$474.4	8.42%	8.77%
2	2	SWETT & CRAWFORD	502.1	380.4	32.01%	8.56%
3	5	AON RISK SERVICES, INC. OF SOUTHERN CALIFORNIA INSURANCE SERVICES	250.3	220.7	13.41%	4.27%
4	3	MARSH USA INC.	244.3	328.3	-25.57%	4.17%
5	4	AMWINS INSURANCE BROKERAGE OF CALIFORNIA, LLC	232.2	304.9	-23.84%	3.96%
6	7	AMERICAN E & S INSURANCE BROKERS OF CALIFORNIA, INC.	168.9	168.6	0.20%	2.88%
7	20	RISK PLACEMENT SERVICES INSURANCE BROKERS	156.2	72.9	114.13%	2.66%
8	8	WORLDWIDE FACILITIES, INC.	147.5	133.6	10.38%	2.51%
9	9	BLISS AND GLENNON INC	121.1	130.2	-6.94%	2.07%
10	36	CRC-STERLING WEST INSURANCE SERVICES, LLC	119.6	34.3	248.74%	2.04%
11	38	HART, ANTHONY JOSEPH	113.0	33.3	239.06%	1.93%
12	11	BISYS COMMERCIAL INSURANCE SERVICES, INC.	107.3	111.5	-3.72%	1.83%
13	13	INTERNATIONAL E & S INSURANCE BROKERS, INC.	100.9	98.3	2.64%	1.72%
14	12	BROWN & RIDING INSURANCE SERVICES, INC.	95.0	110.4	-13.96%	1.62%
15	-	LOCKTON COMPANIES, LLC	88.4	0.0	100.00%	1.51%
16	6	CRC INSURANCE SERVICES, INC.	83.7	184.9	-54.75%	1.43%
17	10	COLEMONT INSURANCE BROKERS OF CALIFORNIA, LLC	82.7	125.1	-33.83%	1.41%
18	14	PARTNERS SPECIALTY GROUP, LLC	78.8	91.8	-14.23%	1.34%
19	19	CROUSE & ASSOCIATES INSURANCE SERVICES OF NORTHERN CALIFORNIA, INC.	77.9	76.5	1.72%	1.33%
20	15	BURNS & WILCOX INSURANCE SERVICES, INC.	74.6	90.6	-17.58%	1.27%
21	58	AON RISK SERVICES, INC. OF NORTHERN CALIFORNIA INSURANCE SERVICES	66.1	22.0	200.00%	1.13%
22	51	ALLIANT INSURANCE SERVICES, INC.	64.7	25.2	157.15%	1.10%
23	21	HULL & COMPANY (CALIFORNIA) INC.	59.0	58.2	1.49%	1.01%
24	18	WILLIS INSURANCE SERVICES OF CALIFORNIA, INC.	58.7	80.6	-27.20%	1.00%
25	22	FIRST STATE MANAGEMENT GROUP, INC.	56.3	53.5	5.07%	0.96%
26	23	SOCIUS INSURANCE SERVICES, INC.	47.8	52.3	-8.67%	0.81%
27	26	BASS UNDERWRITERS, INC.	44.9	46.6	-3.70%	0.77%
28	-	CRUMP INSURANCE SERVICES, INC.	43.1	0.0	100.00%	0.74%
29	27	WOODRUFF-SAWYER & COMPANY	40.8	46.6	-12.37%	0.70%
30	56	WESTERN RE/MANAGERS INSURANCE SERVICES, INC.	36.8	22.5	63.70%	0.63%
31	24	BORISOFF INSURANCE SERVICES, INC. (DBA: MONARCH E & S INSURANCE SERVICES)	34.3	52.1	-34.21%	0.58%
32	37	ARTHUR J. GALLAGHER & CO. INSURANCE BROKERS OF CALIFORNIA, INC. (GLENDALE)	33.0	33.9	-2.74%	0.56%
33	34	W. BROWN & ASSOCIATES PROPERTY & CASUALTY INSURANCE SERVICES	31.6	35.8	-11.58%	0.54%
34	42	M.J. HALL & COMPANY, INC.	31.3	30.9	1.47%	0.53%
35	61	WILLIS OF NEW YORK INC	30.4	20.2	50.35%	0.52%
36	83	AON/ALBERT G. RUBEN INSURANCE SERVICES, INC.	30.1	11.5	162.55%	0.51%
37	39	NEITCLEM WHOLESALE INSURANCE BROKERAGE, INC	30.1	32.3	-6.67%	0.51%
38	33	YATES & ASSOCIATES INSURANCE SERVICES, INC.	29.5	36.7	-19.50%	0.50%
39	40	HARRY W. GORST COMPANY, INC.	27.8	32.0	-13.20%	0.47%
40	78	PETERSON, GARY TODD	27.8	13.6	103.83%	0.47%
41	30	SBIB, INC.	27.3	39.9	-31.62%	0.47%
42	32	COMMODORE INSURANCE SERVICES, INC.	27.2	37.5	-27.44%	0.46%
43	29	CARPENTER & MOORE INSURANCE SERVICES INC.	26.8	40.1	-33.12%	0.46%
44	48	R.E. CHAIX & ASSOCIATES INSURANCE BROKERS, INC.	25.8	28.8	-10.57%	0.44%
45	49	ALL RISKS, LTD.	25.3	26.2	-3.22%	0.43%
46	43	CHARTWELL INDEPENDENT INSURANCE BROKERS, LLC	25.3	30.7	-17.70%	0.43%
47	47	INTEGRATED RISK SOLUTIONS INSURANCE SERVICES, LLC.	23.5	29.2	-19.51%	0.40%
48	52	COASTAL BROKERS INSURANCE SERVICES INC.	23.1	25.1	-7.75%	0.39%
49	41	ZURICH E&S INSURANCE BROKERAGE, INC.	23.0	31.6	-27.21%	0.39%
50	112	USI OF SOUTHERN CALIFORNIA INSURANCE SERVICES, INC.	22.4	7.9	182.14%	0.38%

Top 100 California Surplus Line Brokers

Continued from Page 9

Based on Premium Processed by the SLA During 2007

RANK	BROKER	PREMIUM PROCESSED (\$ in millions)		% CHANGE 2007 - 2006	% OF TOTAL 2007
		2007	2006		
51	54 MIDWESTERN GENERAL BROKERAGE, INC.	22.0	22.9	-3.58%	0.38%
52	35 TRINITY E & S INSURANCE SERVICES, INC.	21.7	34.9	-37.77%	0.37%
53	57 AIS AFFINITY INSURANCE AGENCY, INC.	20.6	22.1	-6.56%	0.35%
54	59 NAS INSURANCE SERVICES, INC.	18.1	20.8	-13.27%	0.31%
55	66 NORMAN SPENCER MCKERNAN AGY(NSM)-TB&C WHOLESALE INS. SERV'S OF PASADENA	17.9	18.3	-2.31%	0.31%
56	72 JOHN L. WORTHAM & SON, L.P.	17.5	14.8	18.37%	0.30%
57	53 PETERSEN INTERNATIONAL UNDERWRITERS	17.1	23.3	-26.83%	0.29%
58	- HRH E&S SERVICES, LLC	17.0	0.0	100.00%	0.29%
59	28 LOCKTON COMPANIES, INC.	16.8	40.5	-58.35%	0.29%
60	50 LAE INSURANCE SERVICES, INC.	16.4	25.6	-36.03%	0.28%
61	89 AMWINS BROKERAGE OF NEW YORK, INC.	16.0	10.8	48.05%	0.27%
62	65 ALBERICO, DONALD ANTHONY	15.6	18.4	-15.12%	0.27%
63	91 ALL RISKS, LLC	15.2	10.3	47.43%	0.26%
64	55 WESTERN SECURITY SURPLUS INSURANCE BROKERS, INC.	15.1	22.6	-33.24%	0.26%
65	81 HEFFERNAN INSURANCE BROKERS	15.0	11.6	29.55%	0.26%
66	102 CAMPBELL & ASSOCIATES INSURANCE BROKERAGE, LLC	14.5	8.9	62.78%	0.25%
67	86 ARC WEST COAST EXCESS & SURPLUS BROKERAGE, LLC	13.5	11.2	20.85%	0.23%
68	92 GALEOTTI, GARY WAYNE	13.3	10.3	29.24%	0.23%
69	62 CAMBRIDGE GENERAL AGENCY	13.1	19.2	-31.91%	0.22%
70	70 HILB ROGAL & HOBBS PROFESSIONAL PRACTICE INS BROKERS, INC.	13.1	15.6	-15.89%	0.22%
71	45 PACIFIC WHOLESALE INSURANCE BROKERS, LLC	13.0	29.6	-55.96%	0.22%
72	94 NAPCO, LLC	13.0	10.0	30.43%	0.22%
73	176 A.I. RISK SPECIALISTS INSURANCE, INC.	12.7	3.3	285.61%	0.22%
74	67 HDR INSURANCE MANAGERS, LLC	12.6	17.7	-28.87%	0.22%
75	95 ROBERTSON TAYLOR (CALIFORNIA), INC.	11.8	9.6	22.83%	0.20%
76	93 ALEXANDER, MORFORD & WOO, INC.	11.7	10.1	15.44%	0.20%
77	73 ANDERSON & MURISON INC.	11.5	14.5	-20.71%	0.20%
78	69 VULCAN EXCESS & SURPLUS INSURANCE SERVICES, INC.	11.4	16.0	-28.48%	0.19%
79	63 BROWN & BROWN OF CALIFORNIA, INC.	11.3	19.2	-41.10%	0.19%
80	85 BARNEY & BARNEY, LLC.	11.3	11.4	-0.55%	0.19%
81	44 COOPER & MCCLOSKEY, INC. INSURANCE BROKERS	11.3	30.4	-62.87%	0.19%
82	254 HALL, JAMES ALLAN	11.1	1.7	555.70%	0.19%
83	80 G.J. SULLIVAN CO. EXCESS & SURPLUS LINES BROKERS	11.0	11.8	-7.06%	0.19%
84	158 U.S. RISK OF CALIFORNIA, INC.	10.8	4.1	164.90%	0.18%
85	139 PROPERTY RISK SERVICES, LLC	10.6	5.3	99.90%	0.18%
86	224 TIO, TOMAS EDUARDO	10.2	2.1	382.64%	0.17%
87	71 ABD INSURANCE AND FINANCIAL SERVICES	10.1	15.1	-33.25%	0.17%
88	16 LOCKTON INSURANCE BROKERS, INC.	10.1	89.5	-88.75%	0.17%
89	75 CHIVAROLI & ASSOCIATES, INC.	10.0	14.0	-28.65%	0.17%
90	84 JAMES KLEIN INSURANCE SERVICE INC.	9.9	11.5	-14.05%	0.17%
91	104 W. B. AHERN ENTERPRISES, INC.	9.8	8.7	12.42%	0.17%
92	25 NAVIGATORS CALIFORNIA INSURANCE SERVICES, INC.	9.6	48.9	-80.31%	0.16%
93	82 FRANK CRYSTAL & CO INC	9.5	11.5	-17.18%	0.16%
94	167 JOYCE, JAMES THEODORE	9.4	3.7	154.27%	0.16%
95	107 HCC SPECIALTY UNDERWRITERS, INC.	8.8	8.5	3.90%	0.15%
96	79 NORMAN SPENCER MCKERNAN AGY(NSM)TB&C WHOLESALE INS. SERV'S OF ORANGE CO.	8.6	13.6	-36.62%	0.15%
97	- LAMBERSON KOSTER & COMPANY	8.6	0.0	100.00%	0.15%
98	194 INTEGRO USA INC.	8.5	2.7	217.34%	0.14%
99	105 ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.	8.3	8.6	-3.86%	0.14%
100	120 WHOLESALE CONNECTION INSURANCE SERVICES, LLC	8.2	7.0	17.76%	0.14%
	SUBTOTAL	\$5,077.0	\$4,976.1	2.03%	86.58%
	ALL OTHER BROKERS	787.0	1,049.0	-24.98%	13.42%
	TOTAL	\$5,864.0	\$6,025.1	-2.67%	100.00%

Top 100 Nonadmitted Carriers

Continued on Page 12

Based on Premium Processed by the SLA for 2007

RANK		COMPANY	PREMIUM PROCESSED (\$ in millions)		% GROWTH 2007 - 2006	MARKET SHARE (%)	
2007	2006		2007	2006		2007	2006
1	1	LEXINGTON INSURANCE COMPANY	\$870.5	\$777.7	11.93%	14.84%	12.91%
2	2	AMERICAN INTERNATIONAL SPECIALTY LINES INSURANCE COMPANY	400.5	276.9	44.65%	6.83%	4.60%
3	4	LANDMARK AMERICAN INSURANCE COMPANY	168.9	183.8	-8.11%	2.88%	3.05%
4	3	SCOTTSDALE INSURANCE COMPANY	167.7	192.3	-12.82%	2.86%	3.19%
5	7	ADMIRAL INSURANCE COMPANY	158.8	165.5	-4.01%	2.71%	2.75%
6	5	STEADFAST INSURANCE COMPANY	146.5	182.1	-19.51%	2.50%	3.02%
7	6	ARCH SPECIALTY INSURANCE COMPANY	141.4	176.2	-19.72%	2.41%	2.92%
8	9	NAVIGATORS SPECIALTY INSURANCE COMPANY	141.2	149.4	-5.51%	2.41%	2.48%
9	10	WESTCHESTER SURPLUS LINES INSURANCE COMPANY	133.8	146.7	-8.80%	2.28%	2.44%
10	18	EMPIRE INDEMNITY INSURANCE COMPANY	133.2	89.0	49.59%	2.27%	1.48%
11	12	MT. HAWLEY INSURANCE COMPANY	118.3	112.7	4.89%	2.02%	1.87%
12	11	EVANSTON INSURANCE COMPANY	110.4	127.7	-13.55%	1.88%	2.12%
13	14	AXIS SURPLUS INSURANCE COMPANY	108.8	101.8	6.88%	1.86%	1.69%
14	8	GEMINI INSURANCE COMPANY	98.6	153.0	-35.58%	1.68%	2.54%
15	52	NATIONAL FIRE & MARINE INSURANCE COMPANY	97.0	29.3	230.66%	1.65%	0.49%
16	13	ILLINOIS UNION INSURANCE COMPANY	94.3	107.9	-12.57%	1.61%	1.79%
17	23	LLOYD'S OF LONDON SYNDICATE #0033	91.2	76.4	19.37%	1.56%	1.27%
18	15	INTERSTATE FIRE & CASUALTY COMPANY	88.5	97.4	-9.20%	1.51%	1.62%
19	22	LIBERTY SURPLUS INSURANCE CORPORATION	83.4	78.6	6.02%	1.42%	1.30%
20	26	LLOYD'S OF LONDON SYNDICATE #2987	80.8	70.1	15.21%	1.38%	1.16%
21	17	ESSEX INSURANCE COMPANY	75.3	92.4	-18.50%	1.28%	1.53%
22	27	LLOYD'S OF LONDON SYNDICATE #2623	74.8	69.7	7.32%	1.27%	1.16%
23	25	COLONY INSURANCE COMPANY	73.1	75.4	-3.02%	1.25%	1.25%
24	19	COLUMBIA CASUALTY COMPANY	70.9	88.6	-20.05%	1.21%	1.47%
25	24	NORTH AMERICAN CAPACITY INSURANCE COMPANY	64.4	75.6	-14.90%	1.10%	1.26%
26	28	ENDURANCE AMERICAN SPECIALTY INSURANCE COMPANY	61.8	66.4	-6.96%	1.05%	1.10%
27	21	EVEREST INDEMNITY INSURANCE COMPANY	58.2	82.4	-29.42%	0.99%	1.37%
28	36	CHUBB CUSTOM INSURANCE COMPANY	58.2	49.1	18.53%	0.99%	0.81%
29	45	LLOYD'S OF LONDON SYNDICATE #2003	57.0	34.5	65.43%	0.97%	0.57%
30	38	INDIAN HARBOR INSURANCE COMPANY	55.1	48.1	14.56%	0.94%	0.80%
31	31	HOUSTON CASUALTY COMPANY	53.1	55.4	-4.30%	0.90%	0.92%
32	30	CENTURY SURETY COMPANY	52.2	62.5	-16.41%	0.89%	1.04%
33	44	JAMES RIVER INSURANCE COMPANY	50.9	36.2	40.89%	0.87%	0.60%
34	29	PACIFIC INSURANCE COMPANY LTD.	50.4	63.7	-20.94%	0.86%	1.06%
35	41	LLOYD'S OF LONDON SYNDICATE #0510	49.0	44.5	10.06%	0.84%	0.74%
36	16	AMERICAN SAFETY INDEMNITY COMPANY	48.1	93.6	-48.64%	0.82%	1.55%
37	35	BURLINGTON INSURANCE COMPANY	45.4	53.6	-15.28%	0.77%	0.89%
38	20	LLOYD'S OF LONDON SYNDICATE #2020	41.3	83.3	-50.48%	0.70%	1.38%
39	39	LLOYD'S OF LONDON SYNDICATE #2488	39.1	47.1	-17.01%	0.67%	0.78%
40	53	NAUTILUS INSURANCE COMPANY	37.6	28.8	30.38%	0.64%	0.48%
41	32	HUDSON SPECIALTY INSURANCE COMPANY	37.2	55.1	-32.40%	0.63%	0.91%
42	50	ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED	34.5	30.8	11.89%	0.59%	0.51%
43	58	LLOYD'S OF LONDON SYNDICATE #1200	34.3	25.0	37.53%	0.59%	0.41%
44	61	FIRST MERCURY INSURANCE COMPANY	31.3	23.3	34.15%	0.53%	0.39%
45	183	PRAETORIAN SPECIALTY INSURANCE COMPANY	30.1	0.1	20235.65%	0.51%	0.00%
46	51	GENERAL STAR INDEMNITY COMPANY	29.8	30.7	-2.86%	0.51%	0.51%
47	43	COMMONWEALTH INSURANCE COMPANY	28.5	37.8	-24.55%	0.49%	0.63%
48	34	FIRST SPECIALTY INSURANCE CORPORATION	28.1	53.7	-47.67%	0.48%	0.89%
49	48	LLOYD'S OF LONDON SYNDICATE #0623	26.9	31.5	-14.65%	0.46%	0.52%
50	40	LLOYD'S OF LONDON SYNDICATE #2001	26.7	46.2	-42.23%	0.46%	0.77%

Top 100 Nonadmitted Carriers

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Based on Premium Processed by the SLA for 2007

RANK	COMPANY	PREMIUM PROCESSED (\$ in millions)		% GROWTH 2007 - 2006	MARKET SHARE (%)	
		2007	2006		2007	2006
51	37 UNITED NATIONAL INSURANCE COMPANY	26.6	48.9	-45.68%	0.45%	0.81%
52	55 HOMELAND INSURANCE COMPANY OF NEW YORK	26.3	27.8	-5.34%	0.45%	0.46%
53	49 SR INTERNATIONAL BUSINESS INSURANCE COMPANY LIMITED	26.2	31.0	-15.63%	0.45%	0.52%
54	46 AIG EXCESS LIABILITY INSURANCE COMPANY LTD.	24.8	32.9	-24.40%	0.42%	0.55%
55	42 WESTERN HERITAGE INSURANCE COMPANY	24.1	38.8	-38.01%	0.41%	0.64%
56	33 CLARENDON AMERICA INSURANCE COMPANY	22.8	53.7	-57.63%	0.39%	0.89%
57	56 ASPEN INSURANCE UK LIMITED	21.7	27.0	-19.52%	0.37%	0.45%
58	78 PENN-STAR INSURANCE COMPANY	21.5	14.7	46.23%	0.37%	0.24%
59	54 GREAT AMERICAN E&S INSURANCE COMPANY	21.2	28.7	-25.92%	0.36%	0.48%
60	74 NUTMEG INSURANCE COMPANY	20.4	16.3	25.34%	0.35%	0.27%
61	68 LLOYD'S OF LONDON SYNDICATE #1084	20.1	19.7	2.25%	0.34%	0.33%
62	65 LLOYD'S OF LONDON SYNDICATE #1225	19.5	20.5	-4.67%	0.33%	0.34%
63	75 COLONY NATIONAL INSURANCE COMPANY	19.4	15.0	28.98%	0.33%	0.25%
64	66 LLOYD'S OF LONDON SYNDICATE #4472	19.2	20.3	-5.44%	0.33%	0.34%
65	69 LLOYD'S OF LONDON SYNDICATE #1414	18.5	19.4	-4.26%	0.32%	0.32%
66	67 ALLIED WORLD NATIONAL ASSURANCE COMPANY	18.0	19.7	-8.64%	0.31%	0.33%
67	47 ST. PAUL SURPLUS LINES INSURANCE COMPANY	17.3	32.0	-45.94%	0.29%	0.53%
68	62 ASPEN SPECIALTY INSURANCE COMPANY	16.3	22.7	-28.27%	0.28%	0.38%
69	64 LLOYD'S OF LONDON SYNDICATE #0435	15.8	22.3	-29.02%	0.27%	0.37%
70	73 GREAT LAKES REINSURANCE (UK) PLC	15.7	17.1	-7.73%	0.27%	0.28%
71	70 ROCKHILL INSURANCE COMPANY	15.6	19.3	-19.54%	0.27%	0.32%
72	63 LLOYD'S OF LONDON SYNDICATE #0570	15.5	22.3	-30.69%	0.26%	0.37%
73	77 LLOYD'S OF LONDON SYNDICATE #0958	15.0	14.8	1.43%	0.26%	0.25%
74	92 DARWIN SELECT INSURANCE COMPANY	14.9	9.0	66.14%	0.25%	0.15%
75	88 LLOYD'S OF LONDON SYNDICATE #4444	14.8	10.4	41.96%	0.25%	0.17%
76	- LLOYD'S OF LONDON SYNDICATE #4242	14.8	0.0	100.00%	0.25%	0.00%
77	72 AMERICAN EMPIRE SURPLUS LINES INSURANCE COMPANY	14.6	17.2	-15.09%	0.25%	0.29%
78	71 LLOYD'S OF LONDON SYNDICATE #2791	14.6	19.0	-23.36%	0.25%	0.32%
79	113 PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY	14.2	4.1	243.99%	0.24%	0.07%
80	87 LLOYD'S OF LONDON SYNDICATE #2010	14.1	10.6	32.68%	0.24%	0.18%
81	82 LLOYD'S OF LONDON SYNDICATE #2000	13.9	13.1	6.42%	0.24%	0.22%
82	80 USF INSURANCE COMPANY	13.9	13.9	0.14%	0.24%	0.23%
83	76 LLOYD'S OF LONDON SYNDICATE #5000	13.8	14.9	-7.48%	0.24%	0.25%
84	91 LLOYD'S OF LONDON SYNDICATE #0807	13.2	9.9	33.89%	0.23%	0.16%
85	84 MOUNT VERNON FIRE INSURANCE COMPANY	13.1	12.8	1.64%	0.22%	0.21%
86	60 GLENCOE INSURANCE LIMITED	12.3	23.9	-48.34%	0.21%	0.40%
87	89 LLOYD'S OF LONDON SYNDICATE #1183	11.6	10.4	11.06%	0.20%	0.17%
88	116 FIREMAN'S FUND INSURANCE COMPANY OF OHIO	11.0	4.0	175.57%	0.19%	0.07%
89	79 NOETIC SPECIALTY INSURANCE COMPANY	10.9	14.1	-22.83%	0.19%	0.23%
90	83 TUDOR INSURANCE COMPANY	10.6	12.9	-17.77%	0.18%	0.21%
91	90 NORTHFIELD INSURANCE COMPANY	10.3	10.2	1.06%	0.18%	0.17%
92	86 GOTHAM INSURANCE COMPANY	10.3	10.9	-5.37%	0.18%	0.18%
93	- LLOYD'S OF LONDON SYNDICATE #2112	9.5	0.0	100.00%	0.16%	0.00%
94	59 AXIS SPECIALTY INSURANCE COMPANY	9.4	24.1	-60.92%	0.16%	0.40%
95	131 CATLIN SPECIALTY INSURANCE COMPANY	9.3	2.2	324.81%	0.16%	0.04%
96	94 ENERGY INSURANCE MUTUAL LIMITED	9.1	7.1	28.59%	0.16%	0.12%
97	104 QBE INSURANCE (EUROPE) LIMITED	9.0	4.7	90.14%	0.15%	0.08%
98	100 TRAVELERS EXCESS & SURPLUS LINES COMPANY	8.5	6.1	41.21%	0.15%	0.10%
99	85 LLOYD'S OF LONDON SYNDICATE #0727	7.8	12.3	-36.60%	0.13%	0.20%
100	114 LLOYD'S OF LONDON SYNDICATE #1221	7.4	4.1	79.62%	0.13%	0.07%
	SUBTOTAL	\$5,635.5	\$5,746.7	-1.93%	96.10%	95.38%
	ALL OTHER COMPANIES	228.4	278.4	-17.94%	3.90%	4.62%
	TOTAL	\$5,864.0	\$6,025.1	-2.67%	100.00%	100.00%

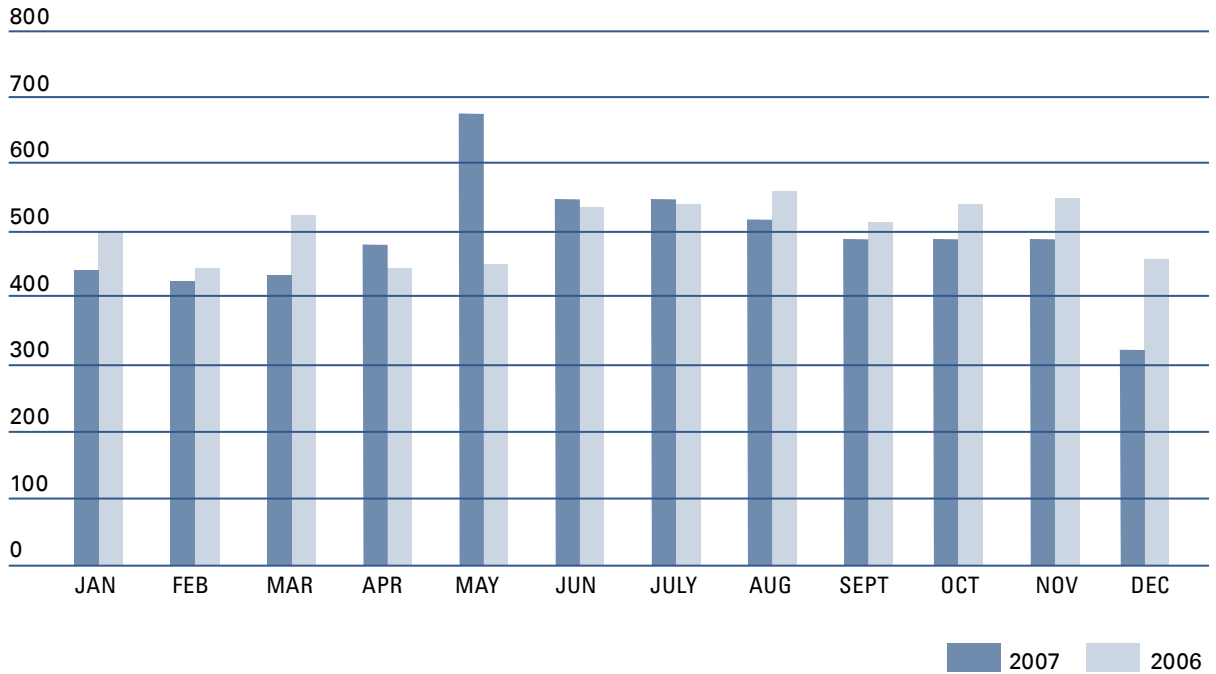
Top 50 Coverage Codes

Based on Premium Processed by the SLA During 2007

Rank		EXPORT	COVERAGE	PREMIUM PROCESSED (\$ in millions)		% GROWTH 2007 - 2006	% OF TOTAL 2007
2007	2006			2007	2006		
1	1		GENERAL LIABILITY	\$1,691.8	\$2,043.7	-17.22%	28.85%
2	2	YES	COMMERCIAL DIC/STAND ALONE EARTHQUAKE	770.4	620.0	24.25%	13.14%
3	3		ERRORS AND OMISSIONS	573.0	585.1	-2.07%	9.77%
4	4		ALL RISK COMMERCIAL PROPERTY	454.4	457.1	-0.59%	7.75%
5	10	YES	ENVIRONMENTAL IMPAIRMENT REMEDIATION & POLLUTION LIABILITY	324.2	179.8	80.27%	5.53%
6	6		SPECIAL MULTI-PERIL PACKAGE	291.7	269.3	8.31%	4.97%
7	5		EXCESS LIABILITY	269.0	301.4	-10.76%	4.59%
8	7	YES	INDIVIDUAL INSURED W/LARGE SCHED TIV > \$500M	199.6	199.8	-0.05%	3.40%
9	8	YES	EXCESS LIABILITY/UNDERLYING NONADMITTED	178.0	194.8	-8.63%	3.04%
10	14		MISCELLANEOUS	146.8	76.8	91.06%	2.50%
11	11		PROFESSIONAL LIABILITY	119.7	141.4	-15.33%	2.04%
12	13	YES	EMPLOYMENT PRACTICES LIABILITY	114.8	79.5	44.40%	1.96%
13	9	YES	CONTRACTORS ENGAGED IN NEW TRACT HOMES	103.9	188.0	-44.75%	1.77%
14	12		DIRECTORS AND OFFICERS	99.5	138.9	-28.37%	1.70%
15	15	YES	PRODUCTS/COMPLETED OPERATIONS (STAND ALONE)	54.7	68.4	-20.09%	0.93%
16	16		INLAND MARINE	52.8	53.4	-1.19%	0.90%
17	17		HOMEOWNERS MULTI-PERIL	34.4	39.0	-11.93%	0.59%
18	18		HOSPITALS	33.5	34.7	-3.35%	0.57%
19	20		AUTO PHYSICAL DAMAGE - COMMERCIAL	30.4	30.0	1.36%	0.52%
20	27	YES	EVENT CANCELLATION	27.2	16.9	61.11%	0.46%
21	19	YES	HIGH LIMITS DISABILITY	23.1	30.3	-23.78%	0.39%
22	23		GARAGE LIABILITY	22.5	18.8	19.79%	0.38%
23	21		HOMEOWNERS	21.7	23.1	-6.07%	0.37%
24	26	YES	SECURITY GUARD SERVICES	18.7	16.9	10.69%	0.32%
25	22		COMMERCIAL PROPERTY - BASIC	17.6	20.9	-15.93%	0.30%
26	24		SINGLE FAMILY DWELLING/DUPLEX	14.4	17.2	-16.19%	0.25%
27	29		AUTO LIABILITY-COMMERCIAL	14.3	16.2	-11.90%	0.24%
28	30		AUTO COMBINED LIABILITY & PHYSICAL DAMAGE - COMMERCIAL	12.2	11.3	7.97%	0.21%
29	28		AVIATION	11.7	16.5	-29.29%	0.20%
30	51		GROUP HEALTH	11.1	1.7	554.04%	0.19%
31	25		TERRORISM	10.5	17.0	-38.14%	0.18%
32	36		BONDS	6.9	4.1	69.00%	0.12%
33	38	YES	OILFIELD CONTRACTORS	5.9	3.9	53.20%	0.10%
34	32		SPECIAL MULTI-PERIL WITH TERRORISM	5.8	7.8	-25.63%	0.10%
35	35	YES	PERSONAL ARTICLES FLOATERS WRITTEN ON A STAND ALONE BASIS	5.5	5.3	3.36%	0.09%
36	34		FIDELITY	5.0	5.5	-9.51%	0.09%
37	48	YES	PRODUCTS RECALL	4.9	1.8	170.33%	0.08%
38	31	YES	AVIATION EXCESS LIABILITY	4.8	9.6	-50.29%	0.08%
39	42	YES	VACANT BUILDINGS	4.8	3.2	47.56%	0.08%
40	40		ACCIDENT	3.9	3.6	7.92%	0.07%
41	46	YES	SHORT TERM SPECIAL EVENTS (EXC HOLE IN ONE)	3.3	2.1	59.69%	0.06%
42	39	YES	EXCESS FLOOD	3.1	3.7	-15.96%	0.05%
43	33	YES	CLINICAL & SIMILAR TESTS OF PHARMACEUTICAL	2.9	6.5	-54.68%	0.05%
44	67		DISABILITY INCOME	2.8	0.5	416.53%	0.05%
45	43	YES	DEMOLITION CONTRACTORS	2.5	3.2	-21.01%	0.04%
46	49	YES	EXCESS CRIME	2.5	1.8	38.05%	0.04%
47	45		EXCESS WORKERS COMPENSATION	2.2	2.3	-3.42%	0.04%
48	60	YES	LIMITS THAT ATTACH IN EXCESS OF \$150M	2.1	0.9	124.22%	0.04%
49	41		CRIME	2.0	3.4	-43.10%	0.03%
50	56	YES	OUTFITTERS AND GUIDES	1.9	1.1	66.81%	0.03%
SUBTOTAL				\$5,820.0	\$5,978.2	-2.65%	99.25%
ALL OTHER COVERAGES				44.0	46.9	-6.20%	0.75%
TOTAL				\$5,864.0	\$6,025.1	-2.67%	100.00%

Comparison of Premium Processed for 2007 versus 2006

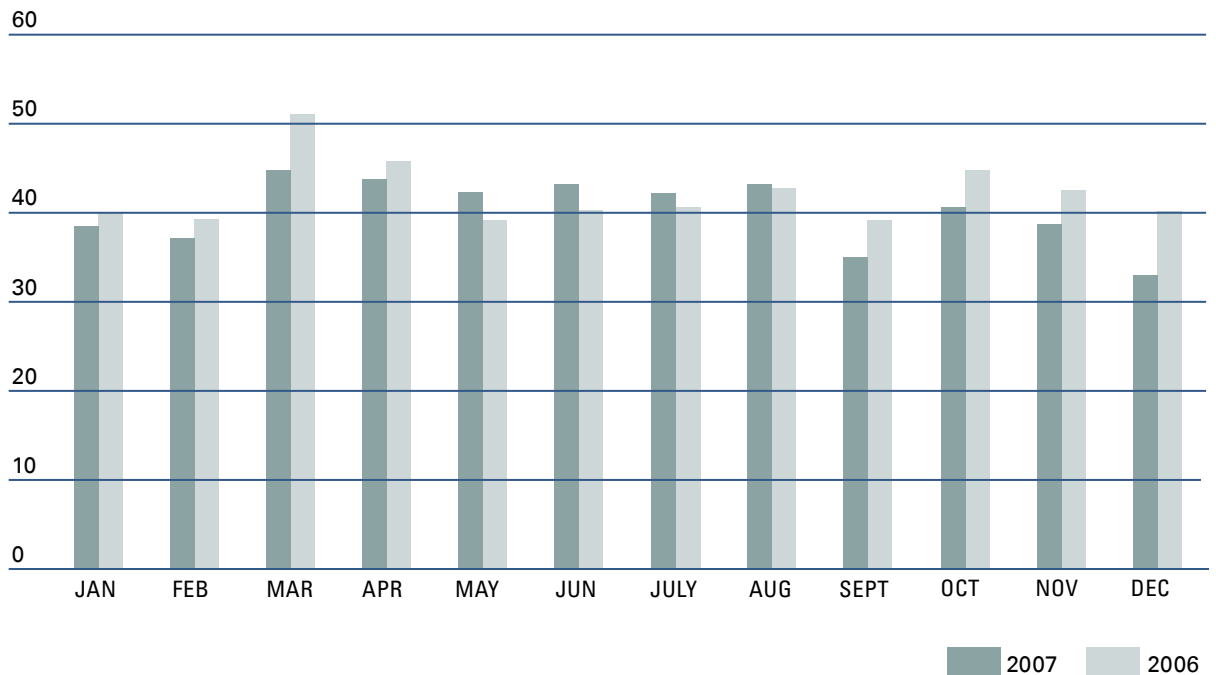
All values represented in Millions



In 2007 the SLA processed 489,998 surplus line policies compared to 509,302 in 2006. This is a 3.8% decline. The total premium volume processed was also down 2.6%.

Comparison of Items Processed for 2007 versus 2006

All values represented in Thousands

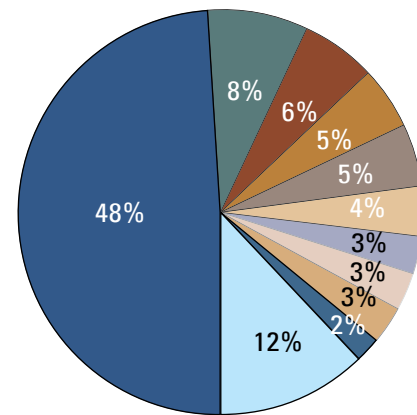


Premium Totals by Company Type

COMPANY TYPE	(\$ in thousands)			% of TOTAL 12/31/2007
	12/31/2007	12/31/2006	% GROWTH	
LESLI LISTED COMPANIES				
FOREIGN INSURERS	\$4,766,407	\$4,853,657	-1.80%	81.28%
LLOYD'S SYNDICATES	856,755	841,606	1.80%	14.61%
ALIEN INSURERS	191,251	215,505	-11.25%	3.26%
SUBTOTAL	\$5,814,413	\$5,910,768	-1.63%	99.16%
ALL OTHER	49,547	114,286	-56.65%	0.84%
TOTAL	\$5,863,959	\$6,025,054	-2.67%	100.00%

Top Tags for 2007

Tags Description	Percentage	Count
Late Filing with Explanation	48%	64,256
Late Filing	8%	10,057
Incomplete SL2 Form	6%	8,646
Section 7(B) of SL2 Incomplete	5%	6,688
Incomplete SL1 Form	5%	6,628
Incomplete Admitted Company Names	4%	4,844
Unlisted Admitted Company	3%	4,621
Renewal has No Record of Prior Policy	3%	4,245
No Record of Policy Endorsement	3%	3,871
Invoice Date	2%	3,239
All Other Tags	12%	16,299
Total		133,394



Western States Surplus Lines Conference 2008

The 2008 Western States Surplus Lines Conference will be held at the beautiful Sunriver Resort in Central Oregon from July 13 - 16, 2008. Come enjoy the beauty and relax at the Northwest's premier 4 Star resort surrounded by scenic rivers, pristine golf courses and magnificent mountains. This year's conference is featuring an Education Program and great networking opportunities, as well as plenty of outdoor fun.

Early Registration by Friday, June 13, 2008

Conference Attendee \$ 775.00

Spouse \$ 350.00

Child \$ 250.00

For lodging and current conference information visit:

<http://www.wsslc08conference.com>

Scheduled Educational Events for Surplus Line Association of California

March - May 2008

All our seminars are approved for California Fire & Casualty Broker-Agents (FX)
and Personal Lines Broker-Agents (PL)

Ethical Training for the Insurance Professional

Presented by

Kirk Denebeim

Vice President

Socius Insurance Services, Inc

Registration & Continental Breakfast at 7:30 a.m.

Seminar 8:00 a.m. - 12:00 p.m. - 4 CE Credits - Course #190482

(this course satisfies the 4-hr CDI ethics requirement)

Dates

Tuesday, March 18, 2008

Hilton Universal City

555 Universal Hollywood Drive

Universal City, CA 91608

Wednesday, March 19, 2008

PG&E Conference Center - Auditorium

245 Market Street

San Francisco, CA 94105

How to Survive and Thrive in the Soft Market

Presented by

Mark Scott

CEO

TransCal Associates

Registration & Continental Breakfast at 8:00 a.m.

Seminar 8:30 a.m. - 11:30 a.m. - 3 CE Credits - Course #206134

Dates

Tuesday, April 15, 2008

Hilton Universal City

555 Universal Hollywood Drive

Universal City, CA 91608

Wednesday, April 16, 2008

PG&E Conference Center - Auditorium

245 Market Street

San Francisco, CA 94105

Contractual Liability and Insurance Coverage

Presented by

Robert J. Marshburn, CRM, CIC, ARM

Founder and Principal

R. J. Marshburn and Associates

CertifiedRiskManagers.com

Registration & Continental Breakfast at 7:30 a.m.

Seminar 8:00 a.m. - 12:00 p.m. - 4 CE Credits - pending CDI approval

Dates

Tuesday, May 20, 2008

Hilton Universal City

555 Universal Hollywood Drive

Universal City, CA 91608

Wednesday, May 21, 2008

PG&E Conference Center - Auditorium

245 Market Street

San Francisco, CA 94105

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