

SLA Quarterly

THE SURPLUS LINE ASSOCIATION OF CALIFORNIA | FIRST QUARTER 2013

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REPORT OF THE CHAIRMAN



Davis Moore
Chairman, 2012

At the beginning of 2012, I appointed four individuals to serve as chairman of each of the SLA standing committees. I would like to thank those committee chairs and their committee members for their commitment of time and energy to SLA operations over the past year.

Pam Quilici who led our Stamping Committee provided reliable oversight of the Stamping Office through her committee. Together we forged a solid budget for FY 2012-2013. Pam also served as Chairman of the Information Technology Committee and on the Western States Planning Committee.

Hank Haldeman who led our Legislative Committee continued to make major contributions to our understanding of legal, legislative, and regulatory affairs. We are grateful for Hank's efforts, knowledge, and expertise in this area.

Tina Epstein Abrams, Education Committee Chairman, scheduled education seminars throughout the year and has already scheduled seminars through the first quarter of 2014. Thanks to her industry expertise the SLA receives high marks from the attendees in

their evaluation of our educational seminars.

Jerry Sullivan who led our Admitted Market Liaison Committee established open communication with California trade associations representing the admitted market and brought them together with the California Department of Insurance.

The Nominating Committee also performed the difficult task of producing the slate of nominees for the 2013 Executive Committee; My thanks to Pam Quilici, Ian Fitt, and Patrick Hanley for serving.

Our General Counsel, Jim Woods and his associates at Mayer Brown performed excellent work for the SLA in 2012. Jim's expertise and diligence has been and continues to be a vital component of SLA's effectiveness.

Finally, thanks to our new SLA Executive Director Ben McKay, and longstanding Director of the Stamping Office, Joy Erven, and the entire SLA staff for a great job running the largest (State) Surplus Line Association in the nation.

In the past year, the Executive Committee and the Stamping Committee decided to lower the stamping fee to .20 tenths of one percent for 2013, as appropriate to our current budgeting needs.



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2012 brought unique challenges to the surplus line industry in general and the SLA in particular. Chief among them were the implementation of the Dodd-Frank Act. States, including California, were urged to amend their statutes to bring them in compliance with the new federal law.

California answered the call with the leadership of Commissioner Jones and his staff. Contributions from associations, including the SLA, brought our state into conformity with federal law.

The new federal law brings challenges in two broad areas: national uniformity and market security. In analyzing both of these areas, we have determined that a dramatic increase in broker liability is possible on the legislative and legal fronts. The SLA will be working with our industry partners to help brokers navigate through the new regulatory environment.

In the first quarter of 2012, we formed an Ad Hoc committee to conduct a nationwide search for our new Executive Director. Our criteria included a qualified individual with a broad range of skill sets including someone with:

- state and federal legislative experience
- a deep understanding of insurance, as well as
- a law degree and experience as a state regulator, and
- someone with extensive experience in management.

We found this unique blend of qualifications and experience in Ben McKay. The SLA extends a warm welcome to Ben. In his first 6 months on the job, he has done an

excellent job in meeting and exceeding expectations. We expect great things to come from our new Executive Director.

In an effort to continue to be fiscally responsible in these challenging economic times, we have reviewed virtually every function within the association. In connection with this initiative, we also focused on how the SLA can leverage technology to better serve our membership. That review, which is ongoing, resulted in a number of positive changes.

We remain a sound organization both financially and politically and we have high expectations for the SLA in the coming years.

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REPORT OF THE EXECUTIVE DIRECTOR

Ben McKay, Executive Director



Special Thanks

A special thanks to our former Chairman, Davis Moore, and the entire Executive Committee for giving me this

opportunity to serve as the new Executive Director of the SLA.

Also, I would like to thank Director Joy Erven and the SLA employees for helping make my transition a very smooth and productive one.

Lastly, thank you Commissioner Jones and the staff at the California Department of Insurance (CDI). They have been incredibly helpful to me personally during the transition. Thank you for the education and counsel and the always quick responses to our inquiries.

Reflection and Vision

This is a good time for some reflection on our accomplishments and discussion of what the future may bring.

When I first started seven months ago, Chairman Davis Moore suggested that I start by reviewing all the governing documents, contracts, and processes of the association, renegotiate contracts where appropriate, and re-engineer processes for efficiency and cost savings.

Cost Savings

I am pleased to report that we have some significant early successes. You may know that we froze the employee pension in 2011. However, we did not shut it down completely, because it would be too costly to shut it down in this low interest rate environment. At the direction of the Executive Committee, we reviewed the two costs associated with the pension: fund fees and actuary costs. By renegotiating actuary costs and changing fund providers, we reduced our pension administration costs by over 20 percent. Also, we were able to shut down the SLA computer Extranet early due to the completion of a duplicate function in our new SLIP system. This early shutdown saved the association \$100,000. The planned savings for shutting down the Extranet is \$400,000 in FY 2012-13. Lastly, management has determined that we have enough internal capacity to in-source about \$50,000 worth of vendor expenses. So far, the combined Executive Committee directed planned savings and newly identified savings total half a million dollars for FY 2012-2013.

Vision

Compliance. A key tenant of the SLA Constitution requires us to assist with broker compliance. We can improve broker compliance in three important ways: 1) education, 2) increase ease of compliance, and 3) lower the cost of compliance. In 2013, the SLA will make it easier to obtain continuing education by creating an access portal to online courses (we will still offer our series

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of free continuing education courses). Further, we are making an extra effort to ensure that we convey the latest thinking from the California Department of Insurance (CDI) at every seminar. To increase the ease of compliance, we are improving our SLIP portal (online filing system) based on over 100 suggestions from the broker community. We have already scheduled the elimination of a dozen fields in SLIP. Eliminating these unnecessary or redundant fields will make it easier and faster to use SLIP, which will ultimately save the broker community money. After the SLIP improvement project is complete, we will start work to allow for online payment of stamping fees. The SLA will still accept payment by check, but we feel it will make it easier for the broker community if we accept electronic payments for stamping fees, similar to the CDI premium tax payment system. Again, this could result in a small cost savings to brokers. Additionally, the Executive Committee lowered the stamping fee to 0.2%. This is a savings to the insured, which is good business and fair dealing. We will continue to watch the SLA budget to ensure that we are spending every dollar in support of our mission, so that the fee to the insured remains very low.

Paperless. The SLA processed items totaling \$4.8 billion in premium, in 2012. Naturally, this requires a signifi-

cant amount of paper; however, we believe that we use too much. This needs to change for three reasons: 1) paper has no functionality (hard to search, store, and manipulate), 2) using paper where alternatives exist is environmentally harmful, and 3) paper is expensive compared to digital storage. This will be a multi-year project, but we are going to begin the steady march toward being predominantly paperless.

Maintaining a Healthy Marketplace. With the passage of the Dodd-Frank Act (and the Non-admitted and Reinsurance Reform Act, which was part of it), the regime for market security has changed. The SLA remains committed to ensuring the existence of a healthy non-admitted marketplace. To that end, we have created the Market Security Discussion Group to monitor potential threats to the marketplace and to act on them as appropriate (usually via recommendations to the CDI or increased diligence on the part of market participants).

Again, I would like to thank all the readers of this newsletter for giving me the opportunity to serve you. It is indeed an honor and a privilege. I very much look forward to facing the challenges of the coming years together with our excellent SLA team and our partners at the CDI and in the broker community.

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REPORT OF THE DIRECTOR

Joy Erven, Director



Good Morning

2012 was a great year of growth and change for our association.

We will see by our premium totals the market enjoyed another strong year as we continue to recover from both the financial crisis and regulatory changes made by NRRRA. I am happy to report not only has the industry grown, but it has thrived.

When the SLA implemented its on line filing a year and a half ago we were pleased with the number of brokers who began using our system. The system- called "SLIP" is currently used to process 22% of our items and 31% of our filed premiums. We are currently working on enhancements with input from members and staff to modify the existing structure and ease the burden on the compliance portion of a surplus lines placement.

Our 2012 filed premium was a 12% increase over 2011, and our item count increased 2.8%.

Our membership is holding steady at 4,731 members.

We are averaging 33 new members a month.

We are looking to improve on the number of seminars and have already scheduled 16 seminars for 2013. You should also note we provide on-line training and office visits to assist in understanding filing and licensing re-

quirements as well as how to use our electronic filing software.

From an insurer perspective, 74% of the premium was written by foreign insurers, followed by Lloyds with 16%, and Alien insurers wrote 7%.

The top Carrier in California for 2012 was Lexington, who wrote \$508 million in premium in 2012. It is interesting to note the top 15 carriers wrote roughly 50% of the total premium for the year.

Regarding types of coverage, GL, DIC and E & O continue to hold the top spots with GL accounting for 1/5th of total premium written while the top 15 coverages account for 95% of total premiums written.

From a broker point of view, Marsh was the largest broker with \$729 million in written premium in 2012.

As a reminder, state tax time is right around the corner. Please make note of the due date and remember that if you hold a license you must file your state tax forms. There is a specific form for those of you who use your company license and have zero premium written under your individual license. If you have any questions please feel free to call our office.

Also, I would like to announce that The Western States Surplus Lines Conference 2013 will be held in July and will be hosted by the Utah Surplus Line Association. The conference will have educational sessions that will help



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keep you up to date on regulatory issues on the state and national level. Our website has a link where you will be directed to Utah's website.

Overall the SLA enjoyed a productive year, mirroring the industry as evidenced in our statistics. I would like to thank those who helped make it a success- Davis Moore and the Executive Committee, the Department of Insurance, and the SLA Management Team: Linda Cheng, Pat McAuley, Vienna Murray and Mike Caturegli.

I would also like to thank Lori Hunter, Worldwide Facilities, for sponsoring us to use the Jonathan Club facilities again here in Los Angeles. Thank you Lori!

I would like to extend a warm welcome to Ben. The staff and I are inspired by our new leadership and together we will continue to build an association that helps maintain a vibrant and healthy surplus lines marketplace.

New Business Entity Licenses Added Since August 2012

Alper Services LLC
American Equity Underwriters Inc., The
American Express Travel Related Services Company, Inc.
Amtrust North America, Inc.
Aon Risk Services, Inc. of Florida
AP Intego Insurance Group, LLC
Avalon General Insurance Agency, Inc.
Bedford Insurance Brokerage, Inc.
Berkley Custom Insurance Managers, LLC
Bowen, Miclette & Britt of Florida LLC
Brown & Brown of Missouri, Inc.
Caledonian Insurance Group, Inc.
Contractors and Builders Insurance Services, Inc.
Crossfire Connection, Inc.
Deep South Surplus Inc
Energy Overseas Intermediary Agency, Inc.
Eugene Horton, LLC
Evolution Insurance Brokers, LC
Ezana Insurance Brokers L.L.C.
Frates Insurance & Risk Management, LLC
G.M.I. N.A. Inc.
G2 Insurance Services LLC
Global Excess & Surplus Lines Insurance Brokers, Inc.
Greenwood International Insurance Services, Inc.
HCC Medical Insurance Services, LLC

Intercontinental Holdings, LLC
Jennings & Associates Insurance Services, Inc.
Jones Birdsong LLP
Keating Group, Inc., The
La Playa LLC
Laurel Insurance Brokers, LLC
Levelfirst, LLC
Liberty Company Insurance Brokers, Inc The
MDM Group Associates Inc.
MPR-Fintra Alabama, Inc.
Nhuy Insurance and Financial Agency, LLC
OTM Insurance Specialists, LLC
Parker Smith & Feek Inc
Program Insurance Management of Sarasota, Inc.
Prosight Specialty Insurance Solutions, LLC
Quietrack Insurance Services Corporation
Regency Insurance Brokerage Services, Inc.
Risk Services, L.L.C.
Rockhill Underwriting Management, LLC
RSI International of Missouri, Inc.
Seguros Para Todos Insurance Brokers LLC
Shomer Insurance Agency, Inc.
Stanley McDonald Agency of Illinois, Inc
Synapse Services LLC
Target General Ins Services Inc

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New Business Entity Licenses Added Since August 2012 (continued)

Trinity Risk, LLC
United Valley Insurance Services, Inc
Willis of Connecticut, LLC

YouZoom Insurance Services, Inc.
Zes Insurance Agency, LLC

New Individual Licenses Added Since August 2012

Adcock, Gina Marie
Addison, Kasey Michaelle
Aguilar, Mary Moya
Albanese, Christopher James
Anderton, Joseph William
Andreas, Sean Kip
Andrews-Macomber, Ann Marie
Barbato, John R
Bard, John Andrew
Baumann, Michael Bruce
Bell, Ian McKenna
Bell, Michael Travis
Biancardi, George Adrian
Birdsong, Donald H.
Biskup, Brett Lynn
Blanco, Jocelyn Marie
Boisvert, Daniel George
Bolger, Andrew Patrick
Brands-Martin, Valerie Pfeiffer
Braverman, Eric Dean
Brinda, Matthew Paul
Burroughs, Christopher James
Calkins, Craig Cruikshank
Campbell, Walter Anderson
Capobianco, Mario A
Carter, Kimberley Rochelle
Clarke, Pamela Joan
Cole, Roger L
Cortez-Preciado, Dominique Zonia
Dacquist, John Anthony
Daly, Daniel Kevin

Davis, Daryl Reid
Davis, Scott K
Dawson, Dawn Marie
Di Bonito, Erika
Donovan, Nicholas
Drown, Bradford Dean
Everts, Albert Paine II
Fabors, Shawn O'brien
Felgenhauer, Philip R
Ferrer, Vincent Cabral
Fiorillo, Sheryl
Fisher, John Bryan
Forsythe, Victoria
Gavel, John Anthony Jr
Genovese, Anthony Giovanni
Gillingham, Thomas Andrew
Gorman, Maureen Ann
Grafstein, David
Haggerty, Howard C III
Hamby, John Arthur
Haraguchi, Sherry Fumiko
Heimgartner, Thomas John
Henkel, Lawrence Carter III
Henshaw, Megan Kathleen
Holbrook, Deborah
Hollander, Stuart Dov
Holley, Kevin Darrell
Horton, Eugene Allen
Horton, Richard R
Huey, Joanne Avis
Janjgava, Sofia V

Jennings, Bryan Thomas
Johnson, Earl J
Johnson, Rita Jo
Joseph, Thressia Muleth
Kearney, Krista Suzanne
Kilbride, Joseph Aloysius
Klaras, Daniel G.
Koberstein, David
Kyser, Raymond Jr
Larson, John E
Lash, Lisa Dianne
Lason, Toby John
Lauper, Bernard Vladimir
Lawless, John Joseph IV
Lawrence, Bret Daniel
Lee, Susan Lynn
Le Marbre, Timothy D
Livingston, Morgan Tramz
Maestas, Katherine Jean
Mandelik, Jennifer Lynn
Marks, Benjamin Patrick
Martin, William Joseph III
Mauro, Sharilyn Marie
McDonald, James R
McGrath, Christian Liam
McGrath, Daniel Robert
McGuire, Kevin Michael
McIntyre, Patrick Lee
McKenzie-Cocco, Jennifer Lee
McNasby, Joseph Michael
Meas, Thida Socheata



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Meyer, Bryan Douglas
Milan, Marleny Carmen
Miron, Hellena
Motykowski, Brian Francis
Moyer, Scott Dennis
Muldoon, Brian John
Obregon, James Michael
O'Brien, Maureen Sharon
Odonnell, Megan McCarty
Oestreich, Christopher T
Papesh, Jonah Butler
Pecci, Robert Salvatore
Peterson, Tyler Anne
Pieper, Tammy Barbara
Pitcher, William Bruce
Polley, Renee Harney
Powell, Donald Steven
Puckett, Bobbett Lynn

Racioppo, Lawrence A
Rbibo, Daniel Abraham
Roberts-Haverlin, Carolyn Ann Marie
Rosario, Luciana Pagsanjan
Russell, James Edward III
Ruthenborg, Donna Jeanne
Sadofsky, Christine
Schneerson, Joseph Isaac
Shippey, Kimberly Ann
Simmons, Evan James Jr
Sleight, Pepper Larae
Steen, Carole Jeanne
Stipati, Frank Thomas
Strong, David Donald
Sturm, Charles Robert
Taggart, John Lawrence
Topper, Kevin Michael

Towell, Michael Stanton
Trudel, Mark Norman
Vucurevic, Nikola
Wales, Nancy Patricia
Walter, Daniel Joseph
Walton, Tammy Lynn
Waynick, Felissa Lynn
Weger, Donovan Ray II
West, Morgan Roy Jr
Wilson, Jennifer Jill
Wojtanek, Kirsten Marie
Wooten, Adam Jay
Wright, Lenita Williams
Yarkosky, Farrell Lawton
Yelverton, Jack Elroy

SLA Membership Totals as of January 13, 2013

California Business Entities	614	Non-Resident Business Entities	508
California Individuals	<u>2,236</u>	Non-Resident Individuals	<u>1,373</u>
Total California	2,850	Total Non-Resident	1,881
		Total SLA Membership:	<u>4,731</u>

Premium Totals by Company Type

Company Type	(\$ thousand)		% Growth 2012 - 2011	% of Total 12/31/2012
	12/31/2012	12/31/2011 (RECLASSIFIED)		
LASLI/ELIGIBLE CARRIERS				
FOREIGN CARRIERS	\$3,635,612	\$3,313,950	9.71%	74.93%
ALIEN INSURERS	\$350,648	\$262,613	33.52%	7.23%
LLOYD'S SYNDICATES	\$784,254	\$713,900	9.85%	16.16%
SUBTOTAL	\$4,770,515	\$4,290,463	11.19%	98.32%
OTHERS	81,416	35,710	127.99%	1.68%
TOTAL	\$4,851,931	\$4,326,174	12.15%	100.00%



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Top 50 California Surplus Line Coverages in California based on Premium Processed in 2012

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Rank	Rank	EXPORT		PREMIUM PROCESSED			
		LIST	COVERAGE	(\$ million)		% GROWTH	% OF TOTAL
2012	2011	ITEM		2012	2011	2012 - 2011	2012
1	1		GENERAL LIABILITY	\$861.9	\$781.3	10.32%	17.76%
2	2	E	COMMERCIAL DIC/STAND ALONE EARTHQUAKE	692.6	668.1	3.66%	14.27%
3	3		ERRORS AND OMISSIONS	672.4	594.7	13.07%	13.86%
4	4		ALL RISK COMMERCIAL PROPERTY	463.9	321.9	44.15%	9.56%
5	7		EXCESS LIABILITY	298.7	217.6	37.25%	6.16%
6	5	E	INDIVIDUAL INSURED'S WITH LARGE SCHEDULES WHERE THE TIV (TOTAL INSURED VALUES) ARE IN EXCESS OF \$500 MILLION	267.2	267.3	-0.03%	5.51%
7	6		SPECIAL MULTI-PERIL PACKAGE	262.8	233.2	12.72%	5.42%
8	8	E	EXCESS LIABILITY WHERE PART OF UNDERLYING IS NONADMITTED	161.3	186.9	-13.72%	3.32%
9	9	E	ENVIRONMENTAL IMPAIRMENT REMEDIATION & POLLUTION LIABILITY	156.8	138.4	13.30%	3.23%
10	12		DIRECTORS AND OFFICERS	138.0	107.3	28.58%	2.84%
11	10		PROFESSIONAL LIABILITY	118.0	120.1	-1.73%	2.43%
12	13	E	EMPLOYMENT PRACTICES LIABILITY	100.0	84.2	18.71%	2.06%
13	11		MISCELLANEOUS	75.4	114.7	-34.25%	1.55%
14	14	E	PRODUCTS/COMPLETED OPERATIONS (WRITTEN ON A STAND ALONE BASIS)	58.2	58.6	-0.76%	1.20%
15	15		INLAND MARINE	53.4	33.6	58.92%	1.10%
16	16	E	HIGH LIMITS DISABILITY	30.4	31.0	-2.02%	0.63%
17	23	E	EVENT CANCELLATION	29.9	16.1	85.19%	0.62%
18	17		HOSPITALS	26.9	29.8	-9.82%	0.55%
19	18		HOMEOWNERS	26.0	22.8	13.99%	0.54%
20	19		HOMEOWNERS MULTI-PERIL	25.7	21.4	20.51%	0.53%
21	20		AUTO PHYSICAL DAMAGE-COMMERCIAL	23.2	20.5	13.31%	0.48%
22	31	E	CONTRACTORS ENGAGED IN CONSTRUCTION OF NEW TRACT HOMES AND/OR NEW CONDOMINIUMS	21.0	11.5	83.61%	0.43%
23	29		TERRORISM	19.6	12.5	56.19%	0.40%
24	25	E	PRODUCTS RECALL	19.3	14.8	30.84%	0.40%
25	24		COMMERCIAL PROPERTY-BASIC	18.8	15.4	22.45%	0.39%
26	26		AVIATION	15.6	13.7	13.70%	0.32%
27	22		GARAGE LIABILITY	15.4	16.2	-4.90%	0.32%
28	21	E	VACANT BUILDINGS	14.6	19.3	-24.35%	0.30%
29	28		AUTO LIABILITY-COMMERCIAL	13.7	12.7	8.05%	0.28%
30	30		SINGLE FAMILY DWELLING/DUPLEX	13.0	12.3	5.66%	0.27%
31	27	E	SECURITY GUARD SERVICES	12.3	13.0	-5.43%	0.25%
32	40		DISABILITY INCOME	9.0	4.0	128.87%	0.19%
33	65	E	ARCHITECTS & ENGINEERS/CONDO COVERAGE ONLY	7.5	0.6	1204.23%	0.15%
34	32		EXCESS WORKERS COMPENSATION	7.4	6.5	13.17%	0.15%
35	34		AUTO COMBINED LIAB & PHYS DAMAGE-COMM.	7.4	5.6	30.77%	0.15%
36	50		BONDS	7.2	2.3	208.79%	0.15%
37	35		SPECIAL MULTI-PERIL WITH TERRORISM	6.4	5.5	17.36%	0.13%
38	33		ACCIDENT	6.0	6.0	-0.41%	0.12%
39	36		FIDELITY	5.6	5.3	5.81%	0.12%
40	38	E	PERSONAL ARTICLES FLOATERS WRITTEN ON A STAND ALONE BASIS WHERE THE VALUE OF THE SCHEDULE IS IN EXCESS OF \$1,000,000 OR CONTAINS A SINGLE ITEM(S) OVER \$100,000	5.0	4.3	17.51%	0.10%
41	39		RESIDENTIAL EARTHQUAKE	4.9	4.1	21.31%	0.10%
42	45	E	OILFIELD CONTRACTORS	4.5	3.1	44.94%	0.09%
43	49	E	AVIATION EXCESS LIABILITY	4.1	2.4	73.81%	0.08%
44	47	E	EXCESS FLOOD	4.1	2.4	67.10%	0.08%
45	43		CRIME	4.0	3.3	21.56%	0.08%
46	41		PRODUCT TAMPERING	4.0	3.9	4.31%	0.08%
47	46	E	CRANE & RIGGING CONTRACTORS	3.7	2.5	51.14%	0.08%
48	54	E	LIMITS THAT ATTACH IN EXCESS OF \$150 MILLION	3.5	1.5	136.17%	0.07%
49	44	E	SHORT TERM SPECIAL EVENTS (EXCLUDING HOLE-IN-ONE COVERAGE)	2.9	3.3	-11.74%	0.06%
50	42	E	CLINICAL & SIMILAR TESTS OF PHARMACEUTICAL, MEDICAL, BIOLOGICAL AND OTHER SIMILAR PRODUCTS	2.8	3.3	-17.45%	0.06%
SUBTOTAL				\$4,806.2	\$4,280.8	12.28%	99.06%
All Other Coverages				45.7	45.4	0.59%	0.94%
TOTAL				\$4,851.9	\$4,326.2	12.15%	100.00%



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Top 100 Largest Brokers based on Premium Processed by the SLA in 2012

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Rank 2012	Rank 2011	BROKER	Premium Processed (\$million)		% of Change 2012 - 2011	% of Total 2012
			2012	2011		
1	1	MARSH USA INC.	\$729.7	\$445.1	63.94%	15.04%
2	2	SWETT & CRAWFORD	377.8	395.9	-4.59%	7.79%
3	3	AMWINS INSURANCE BROKERAGE OF CALIFORNIA, LLC	310.8	282.0	10.20%	6.41%
4	4	AON RISK INSURANCE SERVICES WEST, INC.	237.1	267.3	-11.30%	4.89%
5	5	RISK SPECIALISTS COMPANIES INSURANCE AGENCY, INC.	187.9	166.1	13.11%	3.87%
6	6	R-T SPECIALTY, LLC	178.9	140.4	27.36%	3.69%
7	7	WORLDWIDE FACILITIES, INC.	146.1	122.4	19.31%	3.01%
8	10	CRUMP INSURANCE SERVICES, INC.	113.7	93.6	21.50%	2.34%
9	8	BLISS AND GLENNON INC.	113.4	115.3	-1.59%	2.34%
10	9	LOCKTON COMPANIES, LLC	104.9	110.4	-4.99%	2.16%
11	15	ARTHUR J. GALLAGHER & CO. INSURANCE BROKERS OF CALIFORNIA, INC.	93.8	66.4	41.22%	1.93%
12	11	RISK PLACEMENT SERVICES, INC.	91.4	92.4	-1.13%	1.88%
13	12	BROWN & RIDING INSURANCE SERVICES, INC.	88.8	88.5	0.31%	1.83%
14	17	BURNS & WILCOX INSURANCE SERVICES, INC.	70.7	65.3	8.26%	1.46%
15	18	WILLIS INSURANCE SERVICES OF CALIFORNIA, INC.	68.4	61.2	11.76%	1.41%
16	13	PARTNERS SPECIALTY GROUP, LLC	62.7	81.5	-23.05%	1.29%
17	14	CRC INSURANCE SERVICES, INC.	61.8	67.4	-8.35%	1.27%
18	20	CROUSE & ASSOCIATES INSURANCE SERVICES OF NORTHERN CALIFORNIA, INC.	57.2	40.7	40.32%	1.18%
19	19	CHARTIS INSURANCE AGENCY, INC.	53.7	49.7	7.90%	1.11%
20	56	MIDWESTERN GENERAL BROKERAGE, INC.	47.5	10.8	338.24%	0.98%
21	25	BORISOFF INSURANCE SERVICES, INC. (DBA: MONARCH E & S INSURANCE SERVICES)	46.3	28.7	61.42%	0.95%
22	21	WELLS FARGO INSURANCE SERVICES USA, INC.	45.8	37.7	21.46%	0.94%
23	28	ALLIANT INSURANCE SERVICES, INC.	39.7	25.7	54.08%	0.82%
24	22	SOCIUS INSURANCE SERVICES, INC.	37.7	32.8	14.95%	0.78%
25	23	HULL & COMPANY, INC.	35.5	31.0	14.56%	0.73%
26	32	BASS UNDERWRITERS, INC.	32.9	24.0	37.19%	0.68%
27	24	WOODRUFF-SAWYER & COMPANY	32.1	30.2	6.22%	0.66%
28	42	ALL RISKS, LTD.	30.1	16.4	83.75%	0.62%
29	41	AMWINS BROKERAGE OF GEORGIA, LLC	29.5	16.9	75.29%	0.61%
30	48	WHOLESALE TRADING CO-OP INSURANCE SERVICES LLC	28.1	12.3	128.03%	0.58%
31	31	INTEGRO USA INC.	26.8	24.8	7.87%	0.55%
32	26	PETERSEN INTERNATIONAL UNDERWRITERS	26.2	25.9	1.35%	0.54%
33	30	HARRY W. GORST COMPANY, INC.	25.5	24.8	2.67%	0.53%
34	34	COASTAL BROKERS INSURANCE SERVICES INC.	25.5	22.3	14.51%	0.53%
35	69	ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.	23.1	7.9	191.57%	0.48%
36	37	W. BROWN & ASSOCIATES PROPERTY & CASUALTY INSURANCE SERVICES	22.6	18.6	21.32%	0.47%
37	38	WILLIS OF NEW YORK INC.	22.5	18.6	20.75%	0.46%
38	39	BEECHER CARLSON INSURANCE SERVICES, LLC	20.2	18.5	9.20%	0.42%
39	207	AMWINS BROKERAGE OF NEW YORK, INC.	19.5	1.7	1044.77%	0.40%
40	40	LAE INSURANCE SERVICES, INC.	19.0	18.3	3.93%	0.39%
41	16	TRACKSURE INSURANCE AGENCY, INC.	18.9	65.4	-71.11%	0.39%
42	27	IRONSHORE INSURANCE SERVICES, LLC	18.9	25.8	-27.01%	0.39%
43	46	MCGRIFF, SEIBELS & WILLIAMS, INC.	18.3	13.0	40.24%	0.38%
44	178	POWERGUARD SPECIALTY INSURANCE SERVICES LLC	17.4	2.2	686.22%	0.36%
45	52	DILLON, THOMAS FREDERICK	17.4	11.3	53.70%	0.36%
46	44	BARNEY & BARNEY, LLC	17.3	13.3	29.78%	0.36%
47	51	NAS INSURANCE SERVICES, INC.	16.7	11.3	46.82%	0.34%
48	63	EDGEWOOD PARTNERS INSURANCE CENTER	15.4	9.3	66.08%	0.32%
49	43	M.J. HALL & CO., INC.	14.9	14.8	0.66%	0.31%
50	45	NEITCLEM WHOLESALE INSURANCE BROKERAGE, INC.	14.8	13.1	13.07%	0.30%



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Rank 2012	Rank 2011	BROKER	Premium Processed (\$million)		% of Change	% of Total
			2012	2011	2012 - 2011	2012
51	66	HCC SPECIALTY UNDERWRITERS, INC.	14.4	8.6	68.64%	0.30%
52	36	PATERSON, DONALD THOMAS	14.3	19.4	-26.11%	0.30%
53	68	JOHN L. WORTHAM & SON, L.P.	14.2	8.3	71.73%	0.29%
54	49	COOPER & MCCLOSKEY, INC. INSURANCE BROKERS	14.1	12.2	14.89%	0.29%
55	60	YATES & ASSOCIATES INSURANCE SERVICES, INC.	13.7	10.4	31.94%	0.28%
56	61	ARC WEST COAST EXCESS & SURPLUS BROKERAGE, LLC	12.4	9.8	26.23%	0.26%
57	55	E.L.M. INSURANCE BROKERS, INC.	12.1	10.9	11.49%	0.25%
58	67	EXCEPTIONAL RISK ADVISORS, LLC	11.7	8.4	39.28%	0.24%
59	90	ROBERTSON TAYLOR (CALIFORNIA), INC.	11.6	5.0	129.80%	0.24%
60	77	R.E. CHAIX & ASSOCIATES INSURANCE BROKERS, INC.	11.5	6.5	77.00%	0.24%
61	50	CHIVAROLI & ASSOCIATES, INC.	11.3	11.4	-1.19%	0.23%
62	88	HUB INTERNATIONAL INSURANCE SERVICES INC.	11.1	5.2	115.66%	0.23%
63	64	W. B. AHERN ENTERPRISES, INC.	9.4	8.7	8.64%	0.19%
64	243	U.S. RISK, INC.	9.1	1.3	605.69%	0.19%
65	57	WESTERN SECURITY SURPLUS INSURANCE BROKERS, INC.	8.9	10.8	-18.22%	0.18%
66	239	SOUTHWEST BUSINESS CORPORATION	8.6	1.3	538.50%	0.18%
67	-	IMA, INC.	8.5	0.0	100.00%	0.18%
68	102	SANDAU, ROGER ALLEN	7.9	4.5	77.06%	0.16%
69	140	NEW DAY UNDERWRITING MANAGERS LLC	7.9	3.1	156.67%	0.16%
70	671	PARNELL, KEITH BRYAN	7.7	0.0	23169.25%	0.16%
71	29	ALL RISKS, LLC	7.4	25.2	-70.43%	0.15%
72	82	SULLIVAN BROKERS WHOLESALE INSURANCE SOLUTIONS, INC.	7.2	5.9	22.51%	0.15%
73	94	ARROWHEAD WHOLESALE INSURANCE SERVICES, INC.	7.0	4.9	41.28%	0.14%
74	84	USG INSURANCE SERVICES OF CALIFORNIA, INC.	7.0	5.6	24.14%	0.14%
75	58	PREFERRED CONCEPTS, LLC	6.9	10.7	-35.62%	0.14%
76	73	TRINITY E & S INSURANCE SERVICES, INC.	6.8	6.9	-2.46%	0.14%
77	86	DEALEY, RENTON & ASSOCIATES INSURANCE BROKERS	6.7	5.4	24.59%	0.14%
78	78	HERBERT L. JAMISON & CO., LLC	6.6	6.5	1.67%	0.14%
79	80	ANDERSON & MURISON INC.	6.6	6.2	7.09%	0.14%
80	76	AMWINS BROKERAGE OF NEW JERSEY, INC.	6.5	6.5	0.24%	0.13%
81	99	RIGG INSURANCE MANAGERS, INC.	6.2	4.8	29.36%	0.13%
82	74	WHOLESALE CONNECTION INSURANCE SERVICES, LLC	6.0	6.6	-9.57%	0.12%
83	59	FRANK CRYSTAL & CO INC.	5.9	10.4	-43.53%	0.12%
84	85	PROWEST INSURANCE SERVICES, INC.	5.9	5.6	5.13%	0.12%
85	53	ALBERICO, DONALD ANTHONY	5.8	11.0	-46.92%	0.12%
86	142	GCUBE INSURANCE SERVICES, INC.	5.7	3.0	91.21%	0.12%
87	83	SIERRA SPECIALTY INSURANCE SERVICES, INC.	5.7	5.6	0.50%	0.12%
88	92	ETHOS INSURANCE PARTNERS, INC.	5.5	5.0	10.69%	0.11%
89	110	ALLIANT INSURANCE SERVICES HOUSTON, LLC	5.4	4.1	32.02%	0.11%
90	109	NARVER ASSOCIATES, INC., INSURANCE AGENCY	5.4	4.1	31.54%	0.11%
91	71	MESSINA, JOSEPH	5.3	7.3	-26.77%	0.11%
92	70	HEFFERNAN INSURANCE BROKERS	5.0	7.6	-33.61%	0.10%
93	100	TAPCO UNDERWRITERS, INC.	5.0	4.8	5.24%	0.10%
94	111	WEXLER, WASSERMAN & ASSOCIATES INSURANCE AGENCY, LLC	5.0	4.1	22.29%	0.10%
95	72	PROCTOR FINANCIAL, INC.	4.9	7.0	-30.09%	0.10%
96	138	MARKETSCOUT CORPORATION	4.9	3.2	52.01%	0.10%
97	116	DEANS & HOMER	4.8	3.9	23.47%	0.10%
98	137	R.I.C. INSURANCE GENERAL AGENCY, INC.	4.7	3.2	48.33%	0.10%
99	107	ORION COMMERCIAL INSURANCE SERVICES INC	4.7	4.1	14.39%	0.10%
100	91	G.J. SULLIVAN CO. EXCESS & SURPLUS LINES BROKERS	4.7	5.0	-7.32%	0.10%
		SUBTOTAL	\$4,349.9	\$3,719.1	16.96%	89.65%
		All Other Brokers	502.0	607.1	-17.30%	10.35%
		TOTAL	\$4,851.9	\$4,326.2	12.15%	100.00%



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Top 100 California Surplus Line Carriers in California based on Premium Processed in 2012

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RANK		CARRIER	PREMIUM PROCESSED (\$ in millions)		% GROWTH	MARKET SHARE (%)	
2012	2011		2012	2011	2012 - 2011	2012	2011
1	1	LEXINGTON INSURANCE COMPANY	\$508.1	\$503.5	0.92%	10.47%	11.64%
2	2	SCOTTSDALE INSURANCE COMPANY	192.8	178.2	8.22%	3.97%	4.12%
3	4	CHARTIS SPECIALTY INSURANCE COMPANY	146.4	121.0	20.99%	3.02%	2.80%
4	3	LLOYD'S OF LONDON SYNDICATE #2623	143.6	134.4	6.83%	2.96%	3.11%
5	5	STEADFAST INSURANCE COMPANY	127.3	98.0	29.91%	2.62%	2.26%
6	6	COLUMBIA CASUALTY COMPANY	111.9	94.9	17.91%	2.31%	2.19%
7	7	QBE SPECIALTY INSURANCE COMPANY	106.9	90.5	18.18%	2.20%	2.09%
8	12	ILLINOIS UNION INSURANCE COMPANY	94.8	75.2	26.06%	1.95%	1.74%
9	8	EMPIRE INDEMNITY INSURANCE COMPANY	86.5	84.2	2.76%	1.78%	1.95%
10	10	LANDMARK AMERICAN INSURANCE COMPANY	86.2	80.3	7.35%	1.78%	1.86%
11	9	IRONSHORE SPECIALTY INSURANCE COMPANY	84.7	80.7	4.88%	1.75%	1.87%
12	16	COLONY INSURANCE COMPANY	82.9	70.1	18.21%	1.71%	1.62%
13	13	WESTCHESTER SURPLUS LINES INSURANCE COMPANY	82.4	74.3	10.82%	1.70%	1.72%
14	11	AXIS SURPLUS INSURANCE COMPANY	81.3	75.8	7.29%	1.68%	1.75%
15	18	HOUSTON CASUALTY COMPANY	76.6	68.6	11.61%	1.58%	1.59%
16	26	INDIAN HARBOR INSURANCE COMPANY	71.2	47.6	49.46%	1.47%	1.10%
17	15	ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED	71.0	73.6	-3.50%	1.46%	1.70%
18	19	ARCH SPECIALTY INSURANCE COMPANY	70.4	67.6	4.06%	1.45%	1.56%
19	17	MT. HAWLEY INSURANCE COMPANY	67.5	69.3	-2.66%	1.39%	1.60%
20	14	ENDURANCE AMERICAN SPECIALTY INSURANCE COMPANY	65.7	73.6	-10.72%	1.35%	1.70%
21	22	ADMIRAL INSURANCE COMPANY	62.7	58.2	7.72%	1.29%	1.35%
22	33	GREAT LAKES REINSURANCE (UK) PLC	60.3	41.2	46.54%	1.24%	0.95%
23	23	NAVIGATORS SPECIALTY INSURANCE COMPANY	59.9	55.9	7.08%	1.23%	1.29%
24	21	LIBERTY SURPLUS INSURANCE CORPORATION	59.0	59.2	-0.33%	1.22%	1.37%
25	28	SWISS RE INTERNATIONAL SE	52.9	46.7	13.33%	1.09%	1.08%
26	29	PRINCETON EXCESS AND SURPLUS LINES INSURANCE COMPANY	52.2	45.2	15.51%	1.08%	1.05%
27	39	INTERSTATE FIRE & CASUALTY COMPANY	50.5	36.5	38.29%	1.04%	0.84%
28	25	ESSEX INSURANCE COMPANY	49.1	48.0	2.31%	1.01%	1.11%
29	24	EVANSTON INSURANCE COMPANY	47.4	48.7	-2.81%	0.98%	1.13%
30	35	LLOYD'S OF LONDON SYNDICATE #2003	46.4	40.4	14.99%	0.96%	0.93%
31	30	CATLIN SPECIALTY INSURANCE COMPANY	46.2	43.3	6.63%	0.95%	1.00%
32	36	NAUTILUS INSURANCE COMPANY	44.4	39.1	13.71%	0.92%	0.90%
33	43	GREAT AMERICAN E&S INSURANCE COMPANY	44.2	32.4	36.29%	0.91%	0.75%
34	45	AMERICAN SAFETY INDEMNITY COMPANY	43.3	31.7	36.66%	0.89%	0.73%
35	40	JAMES RIVER INSURANCE COMPANY	42.4	36.4	16.33%	0.87%	0.84%
36	32	CHUBB CUSTOM INSURANCE COMPANY	41.6	42.0	-0.77%	0.86%	0.97%
37	37	ASPEN SPECIALTY INSURANCE COMPANY	41.6	39.1	6.62%	0.86%	0.90%
38	48	LLOYD'S OF LONDON SYNDICATE #0510	41.0	28.8	42.71%	0.85%	0.66%
39	47	EVEREST INDEMNITY INSURANCE COMPANY	40.4	29.7	36.03%	0.83%	0.69%
40	102	INTERNATIONAL INSURANCE COMPANY OF HANNOVER LIMITED	39.9	7.3	446.45%	0.82%	0.17%
41	27	ALTERRA EXCESS & SURPLUS INSURANCE COMPANY	39.7	47.3	-16.15%	0.82%	1.09%
42	34	LLOYD'S OF LONDON SYNDICATE #2987	38.9	40.6	-4.31%	0.80%	0.94%
43	38	GEMINI INSURANCE COMPANY	36.8	38.1	-3.34%	0.76%	0.88%
44	42	CENTURY SURETY COMPANY	36.4	32.7	11.30%	0.75%	0.76%
45	31	FIRST MERCURY INSURANCE COMPANY	35.9	42.6	-15.67%	0.74%	0.98%
46	41	LLOYD'S OF LONDON SYNDICATE #0623	34.6	34.7	-0.40%	0.71%	0.80%
47	44	LLOYD'S OF LONDON SYNDICATE #0033	32.4	31.8	1.91%	0.67%	0.74%
48	46	ALLIED WORLD NATIONAL ASSURANCE COMPANY	32.3	30.9	4.51%	0.67%	0.71%
49	54	LLOYD'S OF LONDON SYNDICATE #2488	27.9	22.4	24.75%	0.58%	0.52%
50	49	NORTH AMERICAN CAPACITY INSURANCE COMPANY	27.1	26.6	1.73%	0.56%	0.62%



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RANK		CARRIER	PREMIUM PROCESSED (\$ in millions)		% GROWTH	MARKET SHARE (%)	
2012	2011		2012	2011	2012 - 2011	2012	2011
51	190	ASSOCIATED INDUSTRIES INSURANCE COMPANY, INC.	26.4	0.2	11528.52%	0.54%	0.01%
52	52	DARWIN SELECT INSURANCE COMPANY	24.9	24.3	2.39%	0.51%	0.56%
53	55	BURLINGTON INSURANCE COMPANY	24.2	21.8	11.11%	0.50%	0.50%
54	60	HUDSON SPECIALTY INSURANCE COMPANY	24.2	16.6	45.82%	0.50%	0.38%
55	62	HOMELAND INSURANCE COMPANY OF NEW YORK	24.1	16.0	50.88%	0.50%	0.37%
56	87	AXIS SPECIALTY EUROPE SE	23.4	9.4	148.73%	0.48%	0.22%
57	135	COMPANION SPECIALTY INSURANCE COMPANY	23.1	3.4	588.17%	0.48%	0.08%
58	61	GENERAL SECURITY INDEMNITY COMPANY OF ARIZONA	22.8	16.5	38.06%	0.47%	0.38%
59	57	LLOYD'S OF LONDON SYNDICATE #3624	21.5	18.6	16.02%	0.44%	0.43%
60	66	LLOYD'S OF LONDON SYNDICATE #4020	20.8	15.1	38.13%	0.43%	0.35%
61	58	LLOYD'S OF LONDON SYNDICATE #2001	20.6	17.5	17.71%	0.43%	0.41%
62	56	ENERGY INSURANCE MUTUAL LIMITED	20.3	20.3	-0.33%	0.42%	0.47%
63	91	STARR SURPLUS LINES INSURANCE COMPANY	19.8	9.1	118.66%	0.41%	0.21%
64	20	VOYAGER INDEMNITY INSURANCE COMPANY	19.7	66.2	-70.30%	0.41%	1.53%
65	82	FIRST SPECIALTY INSURANCE CORPORATION	18.3	10.6	73.39%	0.38%	0.24%
66	63	LLOYD'S OF LONDON SYNDICATE #4472	18.2	15.8	15.32%	0.38%	0.37%
67	71	LLOYD'S OF LONDON SYNDICATE #1200	17.1	14.2	20.16%	0.35%	0.33%
68	67	ASPEN INSURANCE UK LIMITED	16.8	14.7	13.94%	0.35%	0.34%
69	69	ROCKHILL INSURANCE COMPANY	16.6	14.4	15.88%	0.34%	0.33%
70	68	LLOYD'S OF LONDON SYNDICATE #4444	16.2	14.5	11.66%	0.33%	0.34%
71	59	LLOYD'S OF LONDON SYNDICATE #4242	15.9	16.8	-5.37%	0.33%	0.39%
72	95	LLOYD'S OF LONDON SYNDICATE #1225	15.6	8.4	86.34%	0.32%	0.19%
73	74	LLOYD'S OF LONDON SYNDICATE #1414	15.4	13.6	13.57%	0.32%	0.31%
74	72	GENERAL STAR INDEMNITY COMPANY	14.8	14.2	4.18%	0.30%	0.33%
75	64	MAIDEN SPECIALTY INSURANCE COMPANY	14.8	15.7	-5.81%	0.30%	0.36%
76	75	LLOYD'S OF LONDON SYNDICATE #5000	14.6	13.2	10.41%	0.30%	0.31%
77	53	NORTHBRIDGE INDEMNITY INSURANCE CORPORATION	14.4	22.6	-36.13%	0.30%	0.52%
78	77	MAXUM INDEMNITY COMPANY	13.4	12.5	6.97%	0.28%	0.29%
79	76	LLOYD'S OF LONDON SYNDICATE #1206	13.3	12.6	5.53%	0.27%	0.29%
80	89	ATAIN SPECIALTY INSURANCE COMPANY	13.0	9.2	41.53%	0.27%	0.21%
81	78	TORUS SPECIALTY INSURANCE COMPANY	12.9	12.1	6.69%	0.27%	0.28%
82	70	LLOYD'S OF LONDON SYNDICATE #0958	12.2	14.3	-15.21%	0.25%	0.33%
83	51	NATIONAL FIRE & MARINE INSURANCE COMPANY	12.0	25.4	-52.77%	0.25%	0.59%
84	81	LLOYD'S OF LONDON SYNDICATE #1183	12.0	10.7	11.64%	0.25%	0.25%
85	80	LLOYD'S OF LONDON SYNDICATE #1084	11.7	10.8	7.68%	0.24%	0.25%
86	79	WESTERN HERITAGE INSURANCE COMPANY	11.5	11.1	3.54%	0.24%	0.26%
87	50	UNITED SPECIALTY INSURANCE COMPANY	11.3	26.0	-56.40%	0.23%	0.60%
88	161	KINSALE INSURANCE COMPANY	11.1	1.0	971.78%	0.23%	0.02%
89	85	LLOYD'S OF LONDON SYNDICATE #4000	10.7	10.1	5.21%	0.22%	0.23%
90	112	MESA UNDERWRITERS SPECIALTY INSURANCE COMPANY	10.5	5.3	96.78%	0.22%	0.12%
91	98	LLOYD'S OF LONDON SYNDICATE #2121	10.0	7.7	30.86%	0.21%	0.18%
92	133	LLOYD'S OF LONDON SYNDICATE #0609	9.7	3.4	185.19%	0.20%	0.08%
93	90	LLOYD'S OF LONDON SYNDICATE #2010	9.6	9.1	5.84%	0.20%	0.21%
94	104	LLOYD'S OF LONDON SYNDICATE #3000	9.4	6.7	41.28%	0.19%	0.15%
95	92	NORTHFIELD INSURANCE COMPANY	9.2	8.8	5.15%	0.19%	0.20%
96	117	TRAVELERS EXCESS AND SURPLUS LINES COMPANY	9.1	4.9	84.41%	0.19%	0.11%
97	116	CRUM & FORSTER SPECIALTY INSURANCE COMPANY	8.9	5.0	78.60%	0.18%	0.12%
98	111	WESTERN WORLD INSURANCE COMPANY	8.8	5.5	60.59%	0.18%	0.13%
99	100	TOKIO MARINE SPECIALTY INSURANCE COMPANY	8.8	7.4	19.36%	0.18%	0.17%
100	107	AIX SPECIALTY INSURANCE COMPANY	8.7	6.3	39.12%	0.18%	0.14%
SUBTOTAL			\$4,438.2	\$3,988.5	11.27%	91.47%	92.20%
All Other Companies			413.8	337.6	22.54%	8.53%	7.80%
TOTAL			\$4,851.9	\$4,326.2	12.15%	100.00%	100.00%



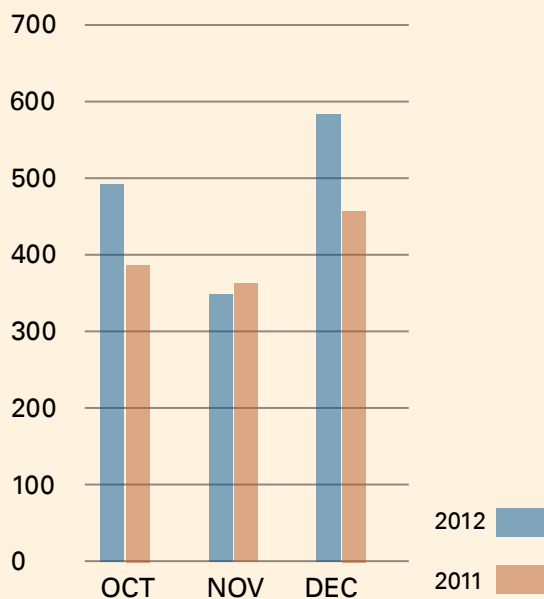


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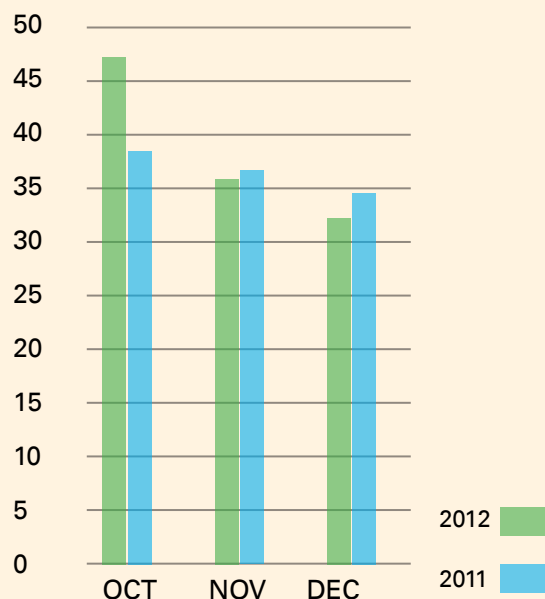
Comparison of Premium Processed for 4th Quarter 2012 to 4th Quarter 2011

All values represented in Millions



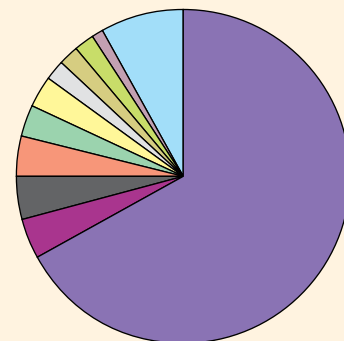
Comparison of Items Processed for 4th Quarter 2012 to 4th Quarter 2011

All values represented in Thousands



Issued Tags from January 1, 2012 to December 31, 2012

TAG DESCRIPTION	%	COUNT
LATE FILING WITH EXPLANATION	64	92,288
LATE FILING	5	7,195
INCOMPLETE SL2 FORM	4	5,902
SECTION 7(B) OF SL2 INCOMPLETE	4	5,867
INCOMPLETE SL1 FORM	4	5,376
RENEWAL HAS NO RECORD OF PRIOR POLICY	3	4,421
NO RECORD OF POLICY ENDORSEMENT	2	3,255
LLOYD'S SYNDICATE NUMBERS	2	2,783
INCOMPLETE ADMITTED COMPANY NAMES	2	2,544
UNLISTED ADMITTED COMPANY	2	2,392
OTHER	9	12,905
TOTAL		144,928



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INFORMATION TECHNOLOGY

The SLIP Broker Portal for online filing of batches, tag processing, and viewing account information has had some significant improvements in 2012. We added over a dozen new alerts to help users enter information correctly the first time, thereby reducing the number of tags or returned batches due to incorrect or incomplete information. In addition, we've added some "pre-populating" of data in various forms based on previous batches. This will minimize the amount of typing and keep data consistent across batches for the same brokerage. Master policy processing has been enhanced, as well, and improvements pertaining to those users that use the XML interface for automated uploading. Also added is the ability for a user to submit an entire batch as an attachment, similar to our previous Broker Extranet. This smoothed the transition to SLIP for those users that used the Broker Extranet. We are currently processing almost 10,000 items per month through SLIP and have over 600 users using the system regularly. We currently have 15 brokers and wholesalers using the XML Bulk Batch Upload for automated submission of large batches. This automated upload process is seamless once set up, and SLA technical staff is available for one-on-one assistance for anyone wanting to better automate their California SLA filings. In addition, the SLA management team is working with Infinity Software to design the next release of SLIP, version 2.0. The next release will incorporate user feedback received and more enhancement requests, as well as some process improvements within our Data Processing Department. Additional education, training, and webinar classes will also be offered to our membership for basic and advanced user training. Please contact the Education Department at 415-434-4900 if you would like training on SLIP.

In March, 2012, the SLA implemented a new Financial Department software application, called RAPID. This system will allow the SLA Financial Department to analyze, create, and store files containing insurer information and documents. It automates some of the eligibility processes (e.g. LASLI), maintains vital records and contact information about the insurer's company, produces detailed reports, and integrates with our back end batch filing system. We are currently working with the California Department of Insurance to implement an electronic workflow interface between our two organizations for insurer eligibility documents. This interface is scheduled for production in early 2013.

Other projects of interest that will have a positive impact to our broker community are online payments (i.e. credit card, debit card, and EFT) for stamping fees. We are currently evaluating options for payment gateway solutions and working with the CDI to ensure we have consistent payment methods. We are also designing a new high-availability architecture for SLIP to improve the processing speed and virtually eliminate the risk of the system being unavailable.

The SLA IT department is available to assist with any questions or concerns about our website and software. Please contact us at 415-434-4900 or email support@slacal.org. If we can't answer your questions immediately, we'll find the right person for your question.





2013 SLA
EXECUTIVE COMMITTEE

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Crouse & Associates Insurance
Services of Northern California, Inc.

Ian Fitt - Vice-Chairman
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Scheduled Events for
The Surplus Line Association of California

EVENTS
**MANAGEMENT AND PROFESSIONAL LIABILITY IN A
(HARDENING OR HARD OR STABLE) MARKET**

- Kirk Denebeim
Senior Vice President, Socius Insurance Services, Inc.

3 CE Credits – Course #95518

Registration: 8:00 a.m.
Seminar: 8:30 a.m. – 11:30 a.m.

Tuesday, April 16, 2013
Hilton Universal City
555 Universal Hollywood Drive
Universal City, CA 91608

Wednesday, April 17, 2013
PG&E Conference Center Auditorium
245 Market Street
San Francisco, CA 94105
(use rear entrance on Beale Street)

CYBER AND PRIVACY LIABILITY
- Graeme Newman
Marketing Director, CFC Underwriting Ltd.

3 CE Credits – Course #286570

Registration: 8:00 a.m.
Seminar: 8:30 a.m. – 11:30 a.m.

Tuesday, May 21, 2013
OMNI Los Angeles Hotel
251 South Olive Street
Los Angeles, CA 90012

Wednesday, May 22, 2013
PG&E Conference Center Auditorium
245 Market Street
San Francisco, CA 94105
(use rear entrance on Beale Street)

MEDICAL MALPRACTICE
- Fran O'Connell
Managing Director, Medical Underwriting, Markel Corporation

3 CE Credits – pending CDI approval
Registration: 8:00 a.m.
Seminar: 8:30 a.m. – 11:30 a.m.

Tuesday, June 11, 2013
Hilton Universal City
555 Universal Hollywood Drive
Universal City, CA 91608

Wednesday, June 12, 2013
PG&E Conference Center Auditorium
245 Market Street
San Francisco, CA 94105
(use rear entrance on Beale Street)