December 19, 1996
BULLETIN #788
RE: EXPORT LIST

The Department of Insurance ("DOI") has completed adoption of the Export List. Attached is Bulletin 96-13 dated December 16, 1996, adopting the Export List which should be self-explanatory.

We will shortly issue a Bulletin with an amended Confidential Report of Placement form (SL-1), which will include codes to reflect the coverages/risks appearing on the Export List.

This has been a lengthy and complicated process in which many have participated, and we would like to thank all the individuals and organizations who worked on this. In particular, our thanks go to:
   Ms. Carol Fistler, Senior Staff Attorney, DOI;
   Mr. David Anderson of Anderson & Murison, Inc.;
   Mr. William Newton of Lemac & Associates;
without whose help the List would not have been a reality.

Questions regarding the content of the List should be addressed to Deanna Zanoni, Ilona Bovee, Nadine Watso, or myself.

Questions regarding the SL-1 and/or actual filings - after the form has been distributed - should be addressed to Judy Flowers, or any member of the Data Processing Unit staff. You may telephone us at 415-434-4900.

Edgar S. Clark
Executive Director
STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE
49 Folsom Street
San Francisco, CA 94105

Bulletin No. 96-13
December 16, 1996

TO: All Surplus Line Brokers, Admitted Insurers,
and Other Interested Persons

SUBJECT: Export List

As of January 1, 1996, Section 1763.1 was added to the Insurance
Code. This section provides that the commissioner may by order
declare eligible for placement with a nonadmitted insurer and
exempt from all the requirements of Section 1763, except the
filing of a confidential written report, any type of insurance
coverage or risk for which he or she finds after a public hearing
that there is not a reasonable or adequate market among admitted
insurers.

Earlier in the year, the commissioner began collecting
information on whether or not there is a reasonable or adequate
market among admitted insurers for certain risks or coverages.
The department reviewed the export lists in other states. We
contacted California surplus line brokers and surveyed them as to
the risks most placed by them. We received industry input from
admitted carriers and through the Surplus Line Association. We
also held a public hearing on July 9, 1996 and solicited public
comment from all interested parties including surplus line
brokers, admitted insurers, trade associations representing
admitted insurers, agents and brokers, and consumer groups to
provide us with evidence of a lack of a reasonable or adequate
market among admitted carriers for a particular risk or
coverage.

After this process, the department came up with a proposed export
list. We checked the proposed list of risks and coverages with
the list of filed risks of admitted carriers and found that there
was very little if any crossover.

We circulated the proposed list to receive comment from all
interested parties including surplus line brokers, admitted
insurers, trade associations representing admitted insurers,
agents and brokers, and consumer groups. We also held two public
hearings in October on the subject. After the hearings and
receiving public comment, the department revised the proposed
export list. The department now finds that there is not a
reasonable or adequate market among admitted insurers for the
risks and coverages on the attached export list and formally
adopts the attached export list for usage regarding placements.

We also would like to remind you that risks and coverages not
appearing on this list may still be exportable but subject to the full documentation of the search being performed pursuant to Insurance Code section 1763.

A public hearing will be held annually or more often at the commissioner's discretion regarding the attached export list. The commissioner or his or her designee shall notify all surplus line brokers of any removal from the list.

Contact Person: Carol Fstler
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CHUCK QUACYENBUSH
Insurance Commissioner

By Dennis Ward
Chief, Enforcement
EXHIBIT LIST

Automobile
Exotic/Classic/Antique Autos With a Value in Excess of $100,000

Crime
Excess Crime
Kidnap & Ransom

Fire & Allied Lines
Amusement Parks/Carnivals and Amusement Devices
Commercial DIC/Stand Alone Earthquake
Explosive Manufacturing/Sales/Storage
Homeowners Earthquake-Excess Limits or Deductible Buyback
Individual Insureds With Large Schedules Where the TIV(Total Insured Values) Are in Excess of $500 million
Vacant Buildings
Surplus
May in the Open
Excess Flood

General Liability
Ambulance Service Including Professional Liability
Amusement Parks/Carnivals/Devices
Blasting Contractors
Building Moving
Clinical and Similar Tests of Pharmaceutical, Medical, Biological and Other Similar Products
Contractors Engaged In Construction of New Tract Homes
And/Or New Condominiums
Demolition
Environmental Impairment Remediation and Pollution Liability
Employment Practices Liability
Explosives Including Manufacturing/Sales/Storage
Fireworks Displays
Patent/Trademark/Copyright Infringement
Limits That Attach In Excess of $150 Million
Oilfield Contractors
Products/Completed Operations (written on a stand alone basis)
Products Recall
Professional Liability for Architects & Engineers/Condo
Professional Liability for Campaign Treasurers
Cuttters & Guides
Short Term Special Events
Security Guard Services
Excess Liability Where Part of Underlying Is Nonadmitted

Inland Marine
Excess Motor Truck Cargo
Any Vessel with a Maximum Rated Speed in Excess of 55 mph
Personal Articles Floaters Written On a Stand Alone Basis
where the value of the schedule is in excess in excess of $1,000,000 or contains a single item(s) over
$100,000.

All vessels in excess of 30 feet and rated with a maximum speed of 45 mph

Disability
International Major Medical
High Limits Disability
Bridge Plan
Political Risks Including Expropriation, Confiscation, Unfair Calling