BULLETIN #895

RE: Reliance Insurance Company of Illinois (Illinois)

WITHDRAWAL from the LESLI

The California Department of Insurance (“CDI”) has requested the SLA to advise its Members that, effective August 2, 2000, Reliance Insurance Company of Illinois is hereby removed from the List of Eligible Surplus Line Insurers (“LESLI”) and is no longer eligible to write new or renewal business in California as of that date.

Attached for your record is a copy of the official letter from the Department. If you have any questions or concerns, please contact Linda Cheng or myself at (800) 334-0491 (in California only) or (415) 434-4900.

Theodore M. Pierce
Executive Director

TP/pk
Attachment
August 2, 2000

Via Certified Mail, Return Receipt Requested

Reliance Insurance Company of Illinois No. P678 969 078
77 Water Street
New York, NY 10005

Ms. Cindy Hernandez No. P678 969 077
G.J. Sullivan Co. Excess & Surplus Lines Brokers
P.O. Box 4879
Anaheim, CA 92803-4879

SUBJECT: Reliance Insurance Company of Illinois
Order Removing Reliance Insurance Company of Illinois from the List of Eligible Surplus Line Insurers (the “LESLI”) pursuant to Insurance Code section 1765.1 (g) (4)

Dear Gentlemen and Ladies:

This shall inform you that the Insurance Commissioner has removed Reliance Insurance Company of Illinois from the List of Eligible Surplus Line Insurers (the “LESLI”) for failure of refusal to timely provide documents required pursuant to Insurance Code section 1765.1 or regulations adopted to implement this section. Insurance Code section 1765.1 (g) (4).

Insurance Code section 1765.1 (i) states that the Insurance Commissioner shall require, at least annually, the submission of records and statements as are reasonably necessary to ensure that the requirements of section 1765.1 are maintained. California Code of Regulations Title Ten section 2174.3 sets forth specific documents which every LESLI insurer and the surplus line broker licensee must submit on an annual basis.

On June 30, 2000, Reliance Insurance Company of Illinois was required to make its annual renewal submission. On July 14, 2000, Reliance Insurance Company of Illinois and its sponsoring surplus line broker, G.J. Sullivan Co. Excess & Surplus Lines Broker were contacted by Dennis Ward, Chief of the Enforcement Division of the California Department of Insurance and demand was made for the annual submission. At that time, an extension of time was granted up to and including July 31, 2000. To date, no annual renewal documents have been received.

Protecting California Consumers
ORDER REMOVING FROM THE LESLI

Wherefore, it appears the Commissioner may and hereby does remove Reliance Insurance Company of Illinois from the LESLI. The removal is effectively immediately, pursuant to Insurance Code section 1765.1 (g) (4). By copy of this letter and pursuant to Insurance Code section 1765.1 (g) (4), we are directing the Surplus Line Association of California to notify all surplus line brokers of this action.

Cordially,

(signature on page 5)

Jill A. Jacobi
Senior Staff Counsel

cc: Dennis Ward, Chief Enforcement Division
    Victoria Sidbury, Assistant Chief Counsel
    Surplus Line Association of California
August 2, 2000

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77 Water Street
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