

DEC 7 1987

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

DEPARTMENT OF INSURANCE By

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

In the Matter of:)	
)	Docket No. 6565
ORDER RELATING TO RECOGNIZED)	
SURPLUS LINES)	ORDER
)	
)	

This matter was heard on the 5th day of November, 1987, at which hearing testimony was presented regarding the availability of insurance coverage in the admitted and surplus lines markets for medical malpractice, professional liability, automobile physical damage for cement and sand and gravel trucks, automobile physical damage for custom motorhomes, rail road protection liability, or any other kind of coverage, not readily procurable from authorized insurers. It appears from a study done by the Department, of which the Director takes notice, that there are a few insurers which will write these coverages. However, the Director concludes the coverage is not procurable from a substantial number of insurers authorized to transact those kinds of insurance.

The Director finds that the list of recognized surplus lines adopted on October 8, 1985, an amended on December 26, 1986, should be further amended to include the following coverages:

- | | |
|----|------------------------------------|
| AH | ACCIDENT AND HEALTH |
| | 1. Accidental death - high limits |
| | 2. Accident - over age |
| | 3. Accident - 24 hour - high limit |
| | 4. Air crew personal accident |
| | 5. Athletes |
| | 6. Aviation accident |
| | 7. Disablement |
| | 8. Jockey |

- 1 AL AUTOMOBILE LIABILITY
- 2 1. Ambulance service
- 3 2. Bus or livery
- 4 3. Butane, propane hauling
- 5 4. Drive away
- 6 5. Driving school
- 7 6. Excess limits
- 8 7. Explosive hauling
- 9 8. Long haul trucking
- 10 9. Mexican vehicle
- 11 10. Racing
- 12 11. Taxicabs
- 13 AP AUTOMOBILE PHYSICAL DAMAGE
- 14 1. Antique automobile
- 15 2. Antique or classic automobiles
- 16 3. Automobile rental - short term
- 17 4. Butane, propane hauling
- 18 5. Leased motor homes
- 19 6. Long haul truck and trailers
- 20 7. Mexican vehicle
- 21 8. Racing
- 22 AVL AVIATION LIABILITY
- 23 1. Antique aircraft
- 24 2. Balloon - hot air and gas
- 25 3. Charter service
- 26 4. Chemical spray and/or drift
- 27 5. Excess limits
- 28 6. Helicopters
- AVPD AIRCRAFT PHYSICAL DAMAGE
1. Antique aircraft
2. Balloon - hot air and gas
3. Charter service
4. Chemical spray and/or drift
5. Excess limits
6. Helicopters
- BR BURGLARY, ROBBERY AND HOLD-UP
1. Kidnap/ransom
- FA FIRE AND ALLIED LINES
1. Amusement parks and carnivals
2. Developmentally disabled residential services and day care centers
3. Explosive manufacturing or storage or sales
4. Fire at a minimum of 150% of bureau premium
5. Greenhouses - wind and hail

- 1 6. Hay in open or barns when value exceeds \$25,000 in each stack or barn
- 2 7. Mattress manufacturing
- 3 8. Municipalities
- 4 9. Nuclear energy property
- 5 10. Plastic manufacturing and sales
- 6 11. School districts

5 GL GENERAL LIABILITY

- 6 1. Adult day care centers
- 7 2. Airmeets
- 8 3. Amusement parks and carnivals
- 9 4. Anhydrous ammonia dealers and haulers
- 10 5. Animal rides
- 11 6. Child day care centers
- 12 7. Collapse Hazard (XCU) contractors
- 13 8. Developmentally disabled residential and day care centers
- 14 9. Dude ranches
- 15 10. Excess limits
- 16 11. Explosion hazard
- 17 12. Explosive manufacturing or storage or sales
- 18 13. Fuel tank testers
- 19 14. General contractors or paper contractors
- 20 15. General liability - nuclear energy
- 21 16. Ground applicators - chemical
- 22 17. Heavy equipment repair
- 23 18. Liquefied petroleum dealers
- 24 19. Liquor liability
- 25 20. Municipalities
- 26 21. Outfitters and guides and white water rafters
- 27 22. Pest control applicators
- 28 23. Police officers
- 29 24. Pollution/contamination
- 30 25. Radio and TV broadcasters and producers
- 31 26. RAIL ROAD PROTECTION
- 32 27. Rodeos
- 33 28. Roofers
- 34 29. School districts
- 35 30. Security guards
- 36 31. Senior citizen centers
- 37 32. Skating rink
- 38 33. Transportation of senior citizens
- 39 34. Underground hazard (XCU) contractors

24 IM INLAND MARINE

- 25 1. Cargo excess limits
- 26 2. Coin dealers - all risk
- 27 3. Fine arts or personal articles coverage - high values or unusual items
- 28 4. Jewelry - high values
- 5. Motorboats - high powered
- 6. Water pumping equipment - electrical - agricultural


1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28


- MS MISCELLANEOUS SPECIALTY LINES
1. Cash letter
 2. Hole-in-one insurance
 3. Mortality - livestock and pets
 4. Rain
 5. Twin insurance
 6. Power acquisition extra expense

- PROD PRODUCTS
1. Aircraft and parts manufacturing
 2. Ammunition reloading
 3. Explosive manufacturing
 4. Fuel tank testers
 5. General contractors or paper contractors
 6. Heavy equipment repair
 7. Medical equipment
 8. New products liability
 9. Pest control applicators
 10. Pharmaceutical manufacturers and distributors
 11. Plastic manufacturing
 12. Roofers

- PL PROFESSIONAL LIABILITY AND MALPRACTICE
(INCLUDING ERRORS AND OMISSIONS)
1. Accountants
 2. Engineers and architects
 3. Midwives
 4. Officers and Directors E & O including public officials
 5. Perfusionists' medical malpractice
 6. Real estate appraisers
 7. Real estate agents
 8. School board legal liability
 9. MEDICAL MALPRACTICE LIABILITY

DATED this *17th* day of December, 1987.


VERN R. PIERSON, CPCU, CLU
Director of Insurance


MARK WEBB
Chief Hearing Officer

1 COPY of the foregoing mailed this
2 *nh* day of December, 1987, to:

3 Vern R. Pierson, Director
4 Bob Zielinski, Assistant Director
5 Deloris Williamson, Supervisor
6 Department of Insurance
7 801 E. Jefferson
8 Phoenix, Arizona 85034

9 Rick Richardson
10 Professional Insurance Agents
11 5800 N. 19th Avenue, Ste. 110
12 Phoenix, Arizona 85015

13 Lanny Hair, Executive Vice-President
14 Independent Insurance Agents of Arizona
15 2828 N. 36th Street, Ste. C
16 Phoenix, Arizona 85008

17 Mutual Insurance Company of Arizona
18 P.O. Box 33180
19 Phoenix, Arizona 85067-3180

20 Alliance of American Insurers
21 220 Sansome Street, Ste. 1320
22 San Francisco, California 94104

23 National Association of Independent Insurers
24 2600 River Road
25 Des Plaines, Illinois 60018-3286

26 American Insurers Association
27 85 John Street
28 New York, New York 10038

National Association of Professional
Surplus Lines Offices, Ltd.
P.O. Box 1507
Rosewell, Georgia 30077

John R. Rohwer
Surplus Lines Association of Arizona
5351 N. 16th Street, Ste. 222
Phoenix, Arizona 85016

24 *Lori M. Barker*
25 Lori M. Barker

26
27
28