LOUISIANA **EXPLANATION OF THE ATTACHED "NOTICE"**

The Department of Insurance requires the attached "NOTICE" to be signed by all applicants. This notice is intended to alert the public that non-admitted insurers are not subject to certain regulatory requirements.

While Lloyd's of London falls into the category of a non-admitted insurer, Lloyd's of London has never failed to a pay a legitimate claim in its 324-year history. Since 1993 non-admitted insurers have been required to provide annual financial minimum-security reports to the Department of Insurance to qualify as an acceptable insurer.

Lloyd's of London qualifies as an acceptable non-admitted carrier by the Department of Insurance. Lloyd's of London's annual financials for solvency plus the USA Trust for claims, far exceed the minimum required by law or by the National Association of Insurance Commissioners' Model for Non-Admitted Carriers.

In addition Lloyd's of London is rated "A" Excellent by A.M. Best and "A+" Strong by Standard & Poor's. These ratings provide independent confirmation of the strength of Lloyd's security.

You are also welcome to check with several third parties regarding surplus lines regulations, requirements for non-admitted carriers to write business, Lloyd's, and even Petersen International Underwriters

Louisiana Department of Insurance:

http://www.ldi.state.la.us

Surplus Lines Association of Louisiana:

http://www.lsla.bizland.com

Lloyd's of London

http://www.Iloyds.com

If you have any additional questions, you may also contact your broker directly or Petersen International Underwriters at: (800) 345-8816 or piu@piu.org

Please sign the attached form and return it as soon as possible.

LOUISIANA DEPARTMENT OF INSURANCE FORM 1263.1 AUTHORIZED NON-ADMITTED AFFIDAVIT

Approved unauthorized insurers, designated as surplus lines companies, are provided for under the Louisiana Revised Statutes 22§1249 et. seq. L.R.S. 22§1257 states that certain insurance coverages that cannot be procured from authorized insurers may be procured from unauthorized insurers provided that the insurance is procured through a licensed surplus lines producer.

Any licensed Louisiana property and casualty producer procuring personal lines coverage from a surplus line company must complete this affidavit acknowledging that the coverage has been placed with an approved unauthorized insurer through a duly licensed Louisiana surplus lines producer. After completion, this affidavit must be forwarded to the licensed Louisiana surplus lines producer, who will retain the affidavit as part of the insured's file. The affidavit must be submitted within thirty days of the effective date of the binder or policy.

A licensed Louisiana property and casualty producer procuring personal lines surplus lines coverage is required to conduct a diligent effort to place the coverage with an admitted company. The signature of the producer and insured must attest to the results of the diligent effort. The licensed Louisiana property and casualty producer is also required to expressly advise the insured, in the event of the insolvency of the surplus line company, **CLAIMS OR LOSSES WILL NOT BE PAID BY THE LOUISIANA INSURANCE GUARANTY ASSOCIATION.**

LICENSED LOUISIANA PROPERTY AND CASUALTY PRODUCER CERTIFICATION

As required by L.R.S. 22§1263.1, a diligent effort to place the risk with an admitted company was conducted. The results of the diligent effort are as follows:
Name of Approved Unauthorized Insurer from which the coverage was procured:
(Insurer's Name)
COMPLETION OF THE FOLLOWING THREE CHECK BOXES AND SPACE FOR THE REASON IN CONJUNCTION WITH THE THIRD IS MANDATORY:
 The company listed above was on the Approved Unauthorized Insurers List maintained by the Louisiana Department of Insurance the date the coverage was procured.
□ The company listed above met the requirements of L.R.S. 22:1262 the date the coverage was procured.
Reason for placing this coverage with an approved unauthorized insurer:
Louisiana Surplus Lines Producer's Name:
Surplus Lines Producer's Louisiana License Number:
Policy or Binder Number (if available):
Name of Property & Casualty Producer:
Address: City Zip
Signature: Date Phone ()

