

IMPORTANT NOTICE:

- 1. The insurance policy that you are applying to purchase is being issued by an insurer that is not licensed by the State of California. These companies are called “nonadmitted” or “surplus line” insurers.**
- 2. The insurer is not subject to the financial solvency regulation and enforcement that apply to California licensed insurers.**
- 3. The insurer does not participate in any of the insurance guarantee funds created by California law. Therefore, these funds will not pay your claims or protect your assets if the insurer becomes insolvent and is unable to make payments as promised.**
- 4. The insurer should be licensed either as a foreign insurer in another state in the United States or as a non-United States (alien) insurer. You should ask questions of your insurance agent, broker, or “surplus line” broker or contact the California Department of Insurance at the toll-free number 1-800-927-4357 or internet website www.insurance.ca.gov. Ask whether or not the insurer is licensed as a foreign or non-United States (alien) insurer and for additional information about the insurer. You may also visit the NAIC’s internet website at www.naic.org. The NAIC—the National Association of Insurance Commissioners—is the regulatory support organization created and governed by the chief insurance regulators in the United States.**
- 5. Foreign insurers should be licensed by a state in the United States and you may contact that state’s department of insurance to obtain more information about that insurer. You can find a link to each state from this NAIC internet website: https://naic.org/state_web_map.htm.**

6. For non-United States (alien) insurers, the insurer should be licensed by a country outside of the United States and should be on the NAIC's International Insurers Department (IID) listing of approved nonadmitted non-United States insurers. Ask your agent, broker, or "surplus line" broker to obtain more information about that insurer.

7. California maintains a "List of Approved Surplus Line Insurers (LASLI)." Ask your agent or broker if the insurer is on that list, or view that list at the internet website of the California Department of Insurance: www.insurance.ca.gov/01-consumers/120-company/07-lasli/lasli.cfm.

8. If you, as the applicant, required that the insurance policy you have purchased be effective immediately, either because existing coverage was going to lapse within two business days or because you were required to have coverage within two business days, and you did not receive this disclosure form and a request for your signature until after coverage became effective, you have the right to cancel this policy within five days of receiving this disclosure. If you cancel coverage, the premium will be prorated and any broker's fee charged for this insurance will be returned to you.

Date: _____

Insured: _____

DILIGENT SEARCH REPORT

1. _____ hereby submits that he/she is:

2. (Full Name of the Individual)

(A) Duly licensed under California Department of Insurance license number : _____;

OR (B) Duly licensed and authorized to act as an endorsee on the organizational license of _____, California Department of Insurance license number _____;

(Name of Organization)

and (C) that he/she or said organizational licensee was engaged by the insured named herein, or the insured's broker, to obtain insurance described in this report;

and (D) is the licensee who performed or supervised this diligent search.

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2. (A) Name of Insured _____
- (B) Address of Insured _____
(Street and Number)

(City) (State) (Zip Code)
- (C) Description of Risk _____
(e.g. Laundromat, liquor store, ...NOT TYPE OF COVERAGE CODE)
- (D) Location of Risk _____
(Street and Number)

(City) (State) (Zip Code)
- (E) Type of Insurance Coverage _____
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3. If Private Passenger Automobile Liability Insurance is identified on line 2 (E), complete the following:

(A) Does the insured qualify as a "Good Driver" under Section 1861.025 of the California Insurance Code?
(CHECK ONE) Yes No

(B) Does the coverage that you have placed include, in whole or in part, the limits of coverage provided under the California Automobile Assigned Risk Plan (CAARP)? (CHECK ONE) Yes No

(C) If YES, has this risk been submitted to and found to be ineligible by CAARP?
(CHECK ONE) Yes No

If your answer is NO, then this coverage cannot be placed with a non-admitted insurer. (See Insurance Code section 1763.5)

4. If Health Insurance is identified on line 2(E), does the insured qualify as a "Small Employer" under Section 10700(x) of the California Insurance Code? (CHECK ONE) Yes No

5. If this insurance was placed pursuant to Section 125 et seq of the California Insurance Code governing transactions with risk purchasing groups authorized by the Federal Liability Risk Retention Act of 1986, complete the following:

(A) Provide the name and address of the purchasing group of which the insured is a member _____

6. (A) Describe the diligent efforts made to place this coverage with admitted insurers and describe how the search was performed (please add additional pages if necessary):

SUBMITTED TO SEVERAL COMPANIES WHO DECLINED

(B) If search was performed by someone other than the person named on line 1, please provide full name of that individual:

7. (A) Was the risk described in Section 2 submitted by you or by someone under your supervision to at least (3) insurers that are admitted in California and who actually write the type of insurance described on lines 2 (C) and 2 (E)?
 (CHECK ONE) Yes No

(B) If YES, complete ALL sections of the following table; if NO, skip to Section 8:

Full Name of Admitted Company	First & Last Name of Company Representative AND Telephone Number	Check if Employee (E) or Agent (A)	Month/Year of Declination	Declination Code
1.	_____ () Or "Online Declination" Website	E () A ()	/	
2.	_____ () Or "Online Declination" Website	E () A ()	/	
3.	_____ () Or "Online Declination" Website	E () A ()	/	

*Declination Codes: 1-Company's capacity reached 2-underwriting reasons 3-refused of state 4-Other

8. If 7(A) was answered NO, complete the following:

a. Did you determine that fewer than 3 admitted insurers in actually write the type of insurance described on lines 2(C) and 2(E)? (CHECK ONE) Yes No

b. If NO, please explain in detail why the risk was submitted to less than three admitted insurers in California that write this type of insurance.

c. If YES, please describe how you made this determination.

The undersigned licensee hereby certifies that this report is true and correct, and that this risk is not being placed with a non-admitted insurer for the sole purpose of securing a rate of premium lower than the lowest rate or premium available from an admitted insurer.

 (Signature of Licensee Named on Line 1)

 Date