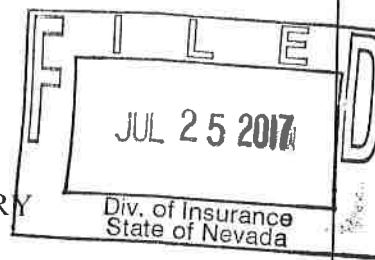


STATE OF NEVADA
DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF INSURANCE



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4 IN THE MATTER OF

CAUSE NO. 17.0331

5
6 **NEVADA SURPLUS LINES
ASSOCIATION.**

**ORDER PURSUANT TO
NRS 685A.060(1)**

7
8
9 WHEREAS, Nevada Revised Statute (“NRS”) 685A.060(1) sets forth that:

10 1. The Commissioner may by order declare eligible for export generally
11 and without compliance with subsections 2, 3 and 4 of NRS 685A.040 and
12 NRS 685A.050, any class or classes of insurance coverage or risk for which
13 the Commissioner finds that there is not a reasonable or adequate market
14 among authorized insurers either as to acceptance of the risk, contract terms,
or premium or premium rate. Any such order shall continue in effect during
the existence of the conditions upon which predicated, but subject to earlier
termination by the Commissioner.

15 WHEREAS, on or about June 23, 2017, the Nevada Surplus Lines Association
16 (“NSLA”) submitted an analysis and request (*see* Exhibit A) to the Commissioner for the
17 consideration of adding and deleting certain categories from the Line and Class Codes (“Export
18 List”); and

19 WHEREAS, the Property and Casualty Section of the State of Nevada, Department of
20 Business and Industry, Division of Insurance (“Division”), has reviewed said analysis and
21 request submitted by the NSLA; and

22 WHEREAS, it is the recommendation of the Division that the Commissioner approve
23 the NSLA’s recommendation concerning additions to the Export List, with the exception that
24 only the following lines be added: 1) To GENERAL LIABILITY (MONO-LINE), Legalized
25 Marijuana Dispensaries, Cultivation, Distribution (5285), Cyber Liability (5125), and
26 Unmanned Vehicles and Aircraft (5485); 2) To MISCELLANEOUS SPECIAL LINES, Owner
27 Controlled Insurance Programs (“OCIP”) (7785); and 3) To MULTI-PERIL (PROPERTY
28 AND LIABILITY), Legalized Marijuana Dispensaries, Cultivation, Distribution (5770); and

1 WHEREAS, it is the recommendation of the Division that the Commissioner approve
2 the NSLA's recommendation concerning deletions to the Export List, such that the following
3 lines be deleted: 1) From AVIATION, Charter Services (2050); 2) From FIRE AND ALLIED,
4 Nuclear Energy Property (3090); 3) From GENERAL LIABILITY, Athletic Camps - Short
5 Term (5080); and 4) From MISCELLANEOUS SPECIAL LINES, Excess Destruction/Money
6 (7120); and

7 WHEREAS, the Commissioner has reviewed and considered the NSLA's analysis and
8 request, as well as the recommendation of the Division; and

9 WHEREAS, a hearing is not required for the issuance of an order pursuant to NRS
10 685A.060(1).

11 NOW, THEREFORE, IT IS HEREBY ORDERED that the REVISED Line and Class
12 Codes (*see* Exhibit B) is approved with the additions and deletions of the following categories
13 from eligibility for export pursuant to NRS 685A.060(1):

14 **ADDITIONS:**

15 GENERAL LIABILITY (MONO-LINE)

16 5285 Legalized Marijuana Dispensaries, Cultivation, Distribution

17 5125 Cyber Liability

18 5485 Unmanned Vehicles and Aircraft

19 MISCELLANEOUS SPECIAL LINES

20 7785 Owner Controlled Insurance Programs (OCIP)

21 MULTI-PERIL (PROPERTY AND LIABILITY)

22 5770 Legalized Marijuana Dispensaries, Cultivation, Distribution

23 **DELETIONS:**

24 AVIATION

25 2050 Charter Services

26 FIRE AND ALLIED

27 3090 Nuclear Energy Property

28 GENERAL LIABILITY

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5080 Athletic Camps - Short Term
MISCELLANEOUS SPECIAL LINES
7120 Excess Destruction/Money

IT IS FURTHER ORDERED that these revisions shall be effective as of the date of this Order.

DATED this 25th day of July, 2017.



BARBARA D. RICHARDSON
Commissioner of Insurance

EXHIBIT A



Nevada Surplus Lines Association

6490 S. McCarran Blvd Bldg D-2 #39 Reno, NV 89509

Ph. (775) 826-7898 Fx. (775) 826-7003 Toll Free 1-888-334-4577 Web www.nsla.org

June 23, 2017

Barbara Richardson
Nevada Commissioner of Insurance
Nevada Division of Insurance
1818 East College Parkway suite 103
Carson City, NV 89706

RE: Recommendations to Export List

Dear Commissioner Richardson,

Annually, the Board of Directors reviews the open lines of insurance coverage for export. Based on our current list I did not discover any areas that would bring attention to any particular line of insurance. There are new products and coverage's that we have not monitored as the information and underwriting results are new to our industry. The premiums coded under the construction categories remained flat which would indicate the markets for contractors' remains healthy and readily available for most general and sub-contractors.

After discussion and review of the current export list, the Board recommends eliminating the following due to inactivity:

- Athletic Camps-short term (5080)
- Aviation-charter service (2050)
- Excess Destruction/Money (7120)
- Nuclear energy Property (3090)

Due to changes within the State of Nevada, some of these may be used in the future but no policies have been written for these classes in the last 24 months.

The Board would recommend the following coverage's be reviewed for additions to the export list due to recent legislative action and influx of new business to our State:

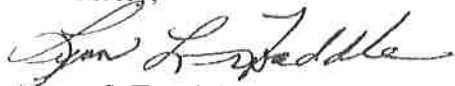
- Legalized Marijuana Dispensaries, Cultivation, Distribution
- Cyber Liability (mono line)
- Unmanned vehicles and aircraft
- Owner Controlled Insurance Programs (OCIP)
- Flood (mono line)

EXHIBIT A
PAGE 1 OF 2

Our office continues to work with the broker's staff to ensure the data captured is a true picture of the Surplus Lines market. There are instructions on our website regarding how to properly code the policies submitted.

The last amendment to the export list was 2012. An order was issued March 8, 2012. I have included a copy of the order for your reference. If you need documents from prior year's analysis or have questions, please let me know.

Sincerely,



Lynn L. Twaddle
Executive Director

cc: NSLA Board of Directors
James L. Wadhams
Jesse A. Wadhams

EXHIBIT A
PAGE 2 OF 2

EXHIBIT B

Export List

Eligible for Export:

Does not require declination detail

Automobile

Class Codes Open Lines

1050	EXCESS LIMITS
1130	USED AUTO DEALS OPEN LOT-NO SCHED. AUTO
1320	NON-OWNED (MONOLINE)
1330	PHY. DAM. ON AUTOS VALUED OVER \$25,000

Aviation Liability

Class Codes Open Lines

2070	EXCESS LIMITS
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Fire and Allied Lines (Property)

Class Codes Open Lines

3030	BARS AND TAVERNS
3040	DIFFERENCE IN CONDITIONS – COMMERCIAL
3050	DIFFERENCE IN CONDITIONS – PERSONAL
3060	EARTHQUAKE
3070	EXPLOSIVE MANUFACTURING/STORAGE/SALES
3130	VACANT BUILDINGS—COMMERCIAL
3140	FORCED FLOOD PLACEMENT
3150	LEGAL BROTHELS

General Liability (Mono-line)

Class Codes Open Lines

5010	ADULT DAY CARE CENTERS
5030	AMUSEMENT RIDES/DEVICES
5050	PESTICIDE APPLICATION
5120	CHILD CARE CENTERS
5125	CYBER LIABILITY
5130	DETECTIVE AGENCIES/PRIVATE INVESTIGATORS
5170	ENVIRONMENTAL IMPAIRMENT-POLLUTION
5180	ENVIRONMENTAL REMEDIATION
5190	EXCESS LIMITS/UMBRELLA OVER 5 MILLION
5200	EXHIBITIONS/CONCERTS
5220	FIREARMS LIABILITY/GUNSMITHING
5230	FIRE SUPPRESSION/ALARM SYSTEMS INSTALLATION/SVCE
5270	GROUP HOMES
5280	HEALTH/EXERCISE CLUB/SPA/FITNESS CENTERS
5285	LEGALIZED MARIJUANA DISPENSARIES, CULTIVATION, DISTRIBUTION
5320	LIQUOR LIABILITY-MONOLINE
5340	MINING
5350	NEW PRODUCTS LIABILITY
5360	OUTFITTERS/GUIDES/WHITE WATER RAFTERS
5370	POLLUTION/CONTAMINATION
5430	SECURITY GUARDS
5480	SPECTATOR LIABILITY
5485	UNMANNED VEHICLES AND AIRCRAFT
5510	VACANT BUILDINGS—COMMERCIAL
5520	WELDING OPERATIONS-MONOLINE
5700	LEGAL BROTHELS
5710	CONTRACTUAL LIABILITY INS POLICIES FOR OBLIGATIONS OF SERVICE CONTRACT PROVIDERS

General Liability – Contractors Liability

Class Codes Open Lines

5090	BLASTING
5100	BUILDING DEMOLITION
5260	GENERAL (PAPER) CONTRACTOR
5420	ROOFERS
5530	CARPENTRY-RESIDENTIAL
5540	CONCRETE CONSTRUCTION-RESIDENTIAL
5550	CONSTRUCTION MANAGERS-RESIDENTIAL
5570	DRY WALL OR WALL BOARD INSTALLATION
5580	EXCAVATION – RESIDENTIAL
5620	PLASTERING AND STUCCO WORK – RESIDENTIAL
5630	PLUMBING – RESIDENTIAL
5650	REAL ESTATE DEVELOPERS – RESIDENTIAL
5680	WATERPROOFING (ALL METHODS) - RESIDENTIAL

Inland Marine

Class Codes Open Lines

4030	JEWELERS BLOCK
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Miscellaneous Special Lines

Class Codes Open Lines

7030	HOLE IN ONE/PRIZE INDEMNIFICATION
7110	SHORT TERM EVENTS
7130	BUILDERS LIMITED WARRANTY
7150	EXCESS DISABILITY INSURANCE
7160	HIGH LIMIT DISABILITY INSURANCE
7777	EXEMPT COMMERCIAL PURCHASER-ECP FORM ENCLOSED
7785	OWNER CONTROLLED INSURANCE PROGRAMS (OCIP)

Multi Peril (Property and General Liability)

Class Codes Open Lines

5750	VACANT BUILDINGS – COMMERCIAL
5760	LEGAL BROTHELS
5770	LEGALIZED MARIJUANA DISPENSARIES, CULTIVATION, DISTRIBUTION

Not Available

Class Codes Open Lines

Personal Lines Coverage

Class Codes Open Lines

Products and Completed Operations – Monoline

Class Codes Open Lines

6010	AIRCRAFT & AIRCRAFT PARTS MANUFACTURING
6110	MEDICAL EQUIPMENT/PRODUCTS/MANUFACTURING
6120	PHARMACEUTICAL MANUFACTURING/DISTRIBUTOR

Professional Liability and Errors & Omissions

Class Codes Open Lines

9010	ACCOUNTANTS
9040	ARCHITECTS AND ENGINEERS
9090	CLINICAL LABORATORIES
9110	DIRECTORS & OFFICERS LIABILITY – FOR PROFIT
9130	EMPLOYMENT PRACTICES LIABILITY
9150	ENVIRONMENTAL CONSULTANTS
9160	FIDUCIARY LIABILITY
9180	HEALING ARTS/ALTERNATIVE MEDICINE
9190	INSURANCE AGENTS AND BROKERS
9200	INVESTMENT ADVISORS
9220	MEDICAL LABS/BLOOD LABS
9230	MORTGAGE BROKERS/BANKERS
9250	PSYCHOLOGISTS/SOCIOLOGISTS/COUNSELORS
9260	PROPERTY MANAGEMENT
9270	PUBLIC OFFICIALS
9280	REAL ESTATE APPRAISERS
9290	RESIDENTIAL HOME INSPECTORS
9320	SURVEYORS
9340	EMPLOYED ATTORNEYS

EXHIBIT B
PAGE 5 OF 5

CERTIFICATE OF MAILING

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I hereby certify that I have this day mailed a true and correct copy of the **ORDER PURSUANT TO NRS 685A.060(1), CAUSE NO. 17.0331**, properly addressed with postage prepaid, via certified mail, return receipt requested, to:

Lynn L. Twaddle, Executive Director
Nevada Surplus Lines Association
6490 S. McCarran Blvd. Bldg. D-2 #39
Reno, Nevada 89509
CERTIFIED MAIL ARTICLE NO. 7016 2140 0000 7182 2274
RETURN RECEIPT TRACKING NO. 9590 9402 1828 6104 1700 86

and, a copy of the foregoing document was sent, via USPS first-class mail, to:

DATED this 25th day of July, 2017.



Employee of the State of Nevada
Department of Business and Industry
Division of Insurance