



BULLETIN B 06-10

TO: ALL SURPLUS LINES INSURERS AND RESIDENT AND NONRESIDENT SURPLUS LINES BROKERS LICENSED IN THE STATE OF ALASKA AND OTHER INTERESTED PARTIES

RE: REQUIRED NOTICE OF NONRENEWAL AND PREMIUM INCREASE

An approved form of the Alaska surplus lines policyholder notice required under 3 AAC 25.050 is set out below. A surplus lines insurer may submit another format for review and possible approval by using the procedures in 3 AAC 31.210 and 3 AAC 31.220.

ALASKA POLICYHOLDER NOTICE 3 AAC 25.050

This policy is issued by a nonadmitted or surplus lines insurer. Insurance may only be purchased from nonadmitted insurers if the full amount, kind, or class of insurance cannot be obtained from insurers who are admitted to do business in the State of Alaska. Your broker or the surplus lines broker has determined that this was true on the date the policy was placed. Before issuing a renewal policy or extending this policy, remarketing is required. To avoid intentional or unintentional extension of coverage in the surplus lines market when an admitted market for that coverage exists, a nonadmitted insurer is prohibited from the automatic renewal or extension of a policy without rerepresenting by your broker or the surplus lines broker.

In order to comply with the Alaska Administrative Code, the following notice is given:

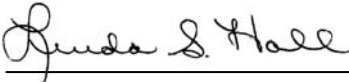
You are hereby notified that, under 3 AAC 25.050, your policy will terminate effective no later than the date and time of its expiration. We reserve the right to cancel this policy sooner than the expiration date by giving you notice of cancellation as set forth in the policy. You may request through your broker that a new policy from the surplus lines broker be concurrent with the effective date of the termination of this policy.

You are also notified that a new policy, if issued by us, is subject to rerepresenting, which may result in a premium increase of more than ten percent (10%). As required by 3 AAC 25.050, you are hereby notified that any subsequent policy issued by us

may be subject to a ten percent (10%) or more increase in premium. The actual premium will be based upon rates that apply at the time a subsequent policy, if any, is issued and will be made available to you before the effective date of the new policy, or the date subsequent coverage is bound, whichever occurs first.

If you have questions regarding the notice form, please contact Dee Ann Teseneer by phone at (907) 465-4610, by fax at (907) 465-3422, or by e-mail at deeann_teseneer@commerce.state.ak.us.

Dated this 16th day of May, 2006, at Anchorage, Alaska.

A handwritten signature in cursive script, reading "Linda S. Hall".

Linda S. Hall
Director