

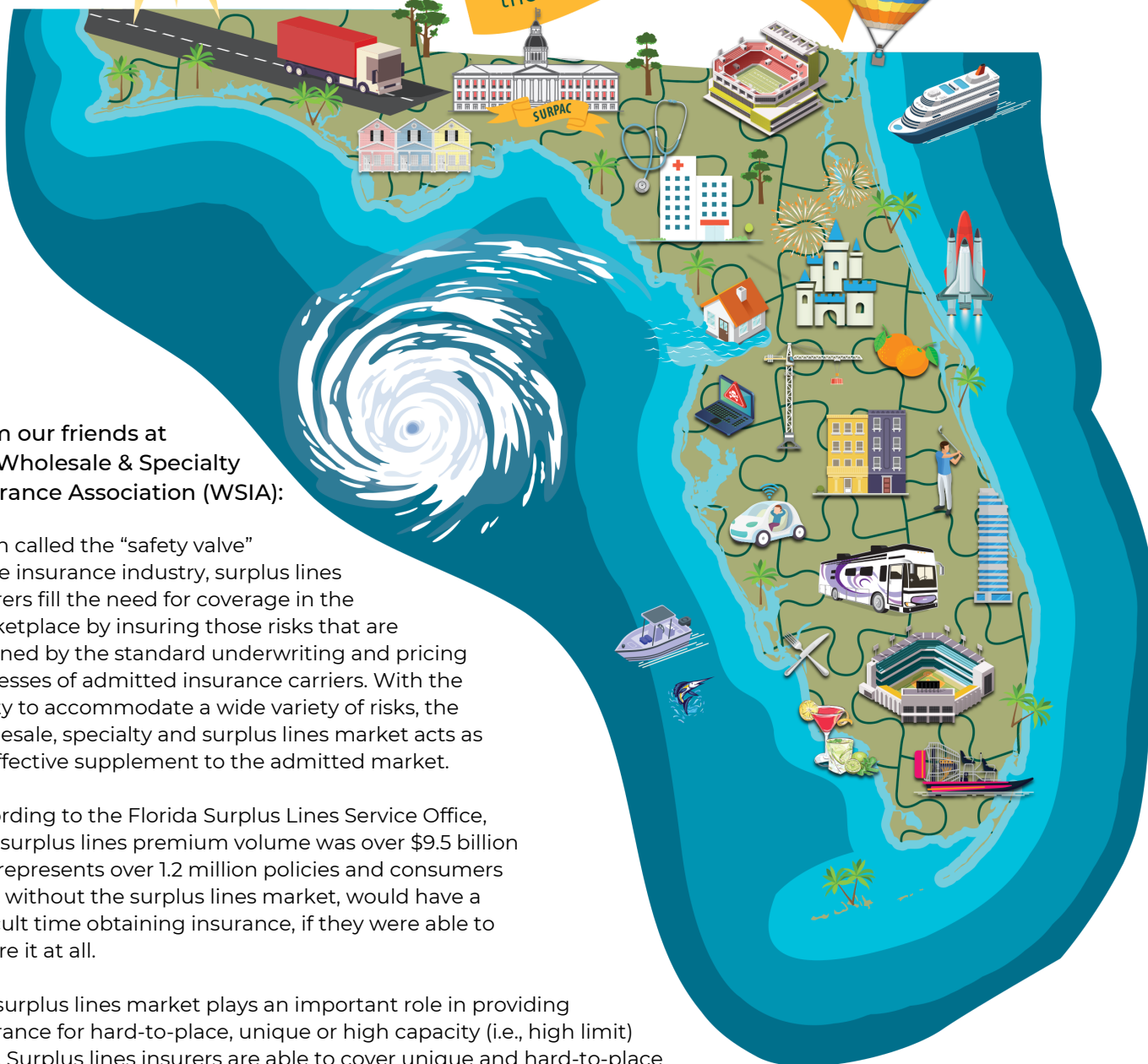
SURPLUS LINES 101

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*Greetings from
Florida*

where surplus lines help fill in
the insurance market puzzle.



From our friends at
the Wholesale & Specialty
Insurance Association (WSIA):

Often called the “safety valve” of the insurance industry, surplus lines insurers fill the need for coverage in the marketplace by insuring those risks that are declined by the standard underwriting and pricing processes of admitted insurance carriers. With the ability to accommodate a wide variety of risks, the wholesale, specialty and surplus lines market acts as an effective supplement to the admitted market.

According to the Florida Surplus Lines Service Office, 2021 surplus lines premium volume was over \$9.5 billion and represents over 1.2 million policies and consumers who, without the surplus lines market, would have a difficult time obtaining insurance, if they were able to secure it at all.

The surplus lines market plays an important role in providing insurance for hard-to-place, unique or high capacity (i.e., high limit) risks. Surplus lines insurers are able to cover unique and hard-to-place risks because, as non-admitted insurers, they can react to market changes and accommodate the unique needs of insureds who are unable to obtain coverage from admitted carriers. This results in cost-effective solutions for consumers that are not “one size fits all,” but are skillfully tailored to meet specific needs for non-standard risks. The wholesale, specialty and surplus lines business is immersed in current events and trends in the development of new products, new services, and in minimizing the risks of doing business in a world where the unforeseen is inevitable.