

For agents located in Texas:

Please note, Texas Insurance Code 2201.259 mandates wherein written annual notice is to be provided to members of Group Purchasing arrangements such as SF Risk Management Group, LLC, concerning the Purchasing Group's participation in insolvency guaranty fund is prohibited and the exception afforded by the code.

As members of the SF Risk Management Group, LLC, the group:

- 1) May not have protection by an insolvency guaranty fund coverage written through the purchasing group and
- 2) The insurer is not subject to all the insurance laws and regulations of Texas.

Important notice: under Texas Insurance Code 2201.258 it states these rules apply **unless** the policy is underwritten by an insurer authorized to engage in business in this state that, at the time of the policy's issuance:

- 1) Has capital and surplus of at least \$25 million; or
- 2) Is a member of a company group that has combined capital and surplus of at least \$25 million.

Your Agents' Errors & Omissions policy is underwritten by National Union Fire which is an admitted insurer in Texas. As such, National Union is subject to the insurance laws and regulations in Texas. National Union Fire Insurance has excess of \$2 billion in combined capital and surplus.

We, at Marsh, fully expect to continue to offer your Agents' E & O coverage with companies that are admitted in Texas and meet the financial guidelines established under Texas Insurance Code 2201.258. We shall advise annually members of the SF Risk Management, LLC of the current situation.