

IMPORTANT INFORMATION ABOUT SURPLUS LINES POLICIES

Surplus lines insurers, also known as non-admitted carriers, have significantly more flexibility in designing insurance products to meet diverse consumer needs as, unlike admitted carriers, their rates and policy forms do not require prior state approval. However, the brokers licensed to place coverage in the non-admitted market are subject to state regulation.

Hippo+ is provided through the surplus lines market and is underwritten by Spinnaker Specialty Insurance Company (TDI No.13766311, NAIC No. 17045). Please carefully review the following disclosures required by the Texas Department of Insurance (TDI):

- **No Guaranty Fund Protection:** Policies issued by surplus lines insurers are not protected by the Texas Property and Casualty Insurance Guaranty Association. If the insurer becomes insolvent, your claim may not be paid.
- **Not Licensed by TDI:** Surplus lines insurers are not licensed by the State of Texas and are not subject to the same regulatory oversight as licensed insurers.
- **Different Terms and Conditions:** Coverage under surplus lines policies may differ from policies issued by admitted (licensed) insurers.
- **Financial Risk:** The insurer's financial strength is not guaranteed by the State of Texas.
- **Taxes and Fees:** Surplus lines policies are subject to state taxes and fees in addition to the insurance premium. Texas Insurance Code Chapter 225 requires payment of a 4.85% tax on gross premium.
- **Availability:** Surplus lines insurance is only available when the needed coverage is not offered by licensed insurers in Texas.