

Form 990

Return of Organization Exempt From Income Tax

2018

Department of the
Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

► Do not enter social security numbers on this form as it may be made public.

► Go to www.irs.gov/Form990 for instructions and the latest information.Open to Public
Inspection

A For the 2019 calendar year, or tax year beginning 12-01-2018, and ending 11-30-2019

B Check if applicable:

- Address change
- Name change
- Initial return
- Final return/terminated
- Amended return
- Application pending

C Name of organization THE SURPLUS LINE ASSOCIATION OF CALIFORNIA		D Employer identification number 94-0912095
Doing business as		E Telephone number (415) 434-4900
Number and street (or P.O. box if mail is not delivered to street address) 12667 ALCOSTA BLVD NO 450		Room/suite
City or town, state or province, country, and ZIP or foreign postal code SAN RAMON, CA 94583		
F Name and address of principal officer: BENJAMIN MCKAY 12667 ALCOSTA BLVD NO 450 SAN RAMON, CA 94583		G Gross receipts \$ 20,020,179

I Tax-exempt status: 501(c)(3) 501(c) (6) ►(insert no.) 4947(a)(1) or 527J Website: ► WWW.SLACAL.ORGK Form of organization: Corporation Trust Association Other ►

H(a) Is this a group return for
subordinates? Yes No

H(b) Are all subordinates
included? Yes No
If "No," attach a list. (see instructions)

H(c) Group exemption number ►

L Year of formation: 1937

M State of legal domicile: CA

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: TO HELP MAINTAIN A HEALTHY, FAIR, AND COMPETITIVE SURPLUS LINE MARKETPLACE IN CALIFORNIA.		
	2 Check this box ► <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.	3	13
	3 Number of voting members of the governing body (Part VI, line 1a)	4	12
	4 Number of independent voting members of the governing body (Part VI, line 1b)	5	106
	5 Total number of individuals employed in calendar year 2018 (Part V, line 2a)	6	15
	6 Total number of volunteers (estimate if necessary)	7a	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7b	0
	7b Net unrelated business taxable income from Form 990-T, line 34		
		Prior Year	Current Year
	8 Contributions and grants (Part VIII, line 1h)	0	0
Revenue	9 Program service revenue (Part VIII, line 2g)	15,161,685	19,886,958
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	139,857	133,221
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0	0
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	15,301,542	20,020,179
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	71,550	144,502
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	9,804,185	11,323,699
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ►0		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	7,269,696	7,571,196
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	17,145,431	19,039,397
Net Assets or Fund Balances	19 Revenue less expenses. Subtract line 18 from line 12	-1,843,889	980,782
		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	15,994,419	16,542,954
	21 Total liabilities (Part X, line 26)	7,005,960	5,864,511
	22 Net assets or fund balances. Subtract line 21 from line 20	8,988,459	10,678,443

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	***** Signature of officer	2020-10-09 Date
	BENJAMIN MCKAY EXECUTIVE DIRECTOR Type or print name and title	

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN P01560332
	Firm's name ► HOOD & STRONG LLP			Firm's EIN ► 94-1254756	
	Firm's address ► 275 BATTERY ST STE 900 SAN FRANCISCO, CA 94111			Phone no. (415) 781-0793	

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11282Y

Form 990 (2018)

Part III

Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III **1** Briefly describe the organization's mission:

OUR MISSION IS TO ENSURE THAT A RESPONSIVE AND LAWFUL SURPLUS LINE INSURANCE MARKET IS MAINTAINED IN CALIFORNIA. OUR MEASURES OF SUCCESS IN THIS RESPECT ARE THAT THE CONSUMER IS PROTECTED, THE NEEDS OF THE REGULATORS ARE WELL-SERVED, AND UNLAWFUL ACTIVITIES ARE CURTAILED. THROUGH A PROFESSIONAL AND COMMITTED ORGANIZATION, UTILIZING STATE OF THE ART TECHNOLOGY AND A CHALLENGING WORK ENVIRONMENT, WE RESPOND TO THE NEEDS OF THE CALIFORNIA CONSUMER, OUR MEMBERSHIP, AND APPROPRIATE PUBLIC AGENCIES. WE PROVIDE EDUCATION, PROCESSING, EVALUATION, AND DISSEMINATION OF SURPLUS LINE DATA AND INFORMATION TO HELP ENSURE THE FINANCIAL INTEGRITY AND STABILITY OF THE SURPLUS LINE MARKET.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.**4a** (Code:) (Expenses \$ including grants of \$) (Revenue \$)
See Additional Data**4b** (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4c** (Code:) (Expenses \$ including grants of \$) (Revenue \$)**4d** Other program services (Describe in Schedule O.)
(Expenses \$ including grants of \$) (Revenue \$)**4e** Total program service expenses ►

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	No
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	No
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	No
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	11a	Yes
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b	No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	Yes
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f	Yes
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a	Yes
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b	No
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	Yes
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	No

Part IV Checklist of Required Schedules (continued)

		Yes	No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	Yes
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a	24a	No
24b		24b	
24c		24c	
24d		24d	
25a	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	
25b		25b	
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II	26	No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III	27	No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):	28a	No
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	Yes
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28c	No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	29	No
30	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	30	No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	33	No
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	34	No
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	No
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	35b	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37	No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O.	38	Yes

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a	21
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes

2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	106		
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b	Yes		
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	No		
b If "Yes," has it filed a Form 990-T for this year? <i>If "No" to line 3b, provide an explanation in Schedule O</i>	3b			
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	No		
b If "Yes," enter the name of the foreign country: ► See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).				
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	No		
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	No		
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	No		
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7 Organizations that may receive deductible contributions under section 170(c).				
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a			
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			
d If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?				
9a Did the sponsoring organization make any taxable distributions under section 4966?	8			
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9a			
9b	9b			
10 Section 501(c)(7) organizations. Enter:				
a Initiation fees and capital contributions included on Part VIII, line 12	10a			
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11 Section 501(c)(12) organizations. Enter:				
a Gross income from members or shareholders	11a			
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a			
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b			
13 Section 501(c)(29) qualified nonprofit health insurance issuers.				
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a			
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c Enter the amount of reserves on hand	13c			
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a	No		
b If "Yes," has it filed a Form 720 to report these payments? <i>If "No," provide an explanation in Schedule O</i>	14b			
15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N	15	No		
16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O	16	No		

Part VI

Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions. Check if Schedule O contains a response or note to any line in this Part VI.

**Section A. Governing Body and Management**

1a Enter the number of voting members of the governing body at the end of the tax year

1a	13	Yes	No
1b	12		

If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.

b Enter the number of voting members included in line 1a, above, who are independent

2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?

2 No

3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?

3 No

4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?

4 No

5 Did the organization become aware during the year of a significant diversion of the organization's assets?

5 No

6 Did the organization have members or stockholders?

6 No

7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?

7a No

b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?

7b No

8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:

8a Yes

a The governing body?

8b Yes

9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O

9 No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

10a Did the organization have local chapters, branches, or affiliates?

10a No

b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?

10b

11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?

11a No

b Describe in Schedule O the process, if any, used by the organization to review this Form 990.

12a Yes

12a Did the organization have a written conflict of interest policy? If "No," go to line 13

12b Yes

b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?

12c Yes

c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done

13 Yes

13 Did the organization have a written whistleblower policy?

14 Yes

14 Did the organization have a written document retention and destruction policy?

15a Yes

15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?

15b Yes

a The organization's CEO, Executive Director, or top management official

16a

b Other officers or key employees of the organization

16b

If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).

16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?

No

b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed►

CA

18 Section 6104 requires an organization to make its Form 1023 (or 1024-A if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

Own website Another's website Upon request Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records:
►IVAN MORSE 12667 ALCOSTA BLVD NO 450 SAN RAMON, CA 94583 (415) 434-4900

Part VII

Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response or note to any line in this Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

 Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)					(D) Reportable compensation from the organization (W-2/1099- MISC)	(E) Reportable compensation from related organizations (W-2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated			
(1) ROBERT GILBERT CHAIR	1.00	X		X			0	0	0
(2) TOM CIARDELLO PAST CHAIR (THRU 3/18/19)	1.00	X		X			0	0	0
(3) TERRI MORAN VICE CHAIR	1.00	X		X			0	0	0
(4) JANET BEAVER SECRETARY/TREASURER	1.00	X		X			0	0	0
(5) TIM CHAIX BOARD MEMBER	1.00	X					0	0	0
(6) JAMES FALEY BOARD MEMBER	1.00	X					0	0	0
(7) RICH GOBLER BOARD MEMBER	1.00	X					0	0	0
(8) HANK HALDEMAN BOARD MEMBER	1.00	X					0	0	0
(9) CAMERON KELLY BOARD MEMBER	1.00	X					0	0	0
(10) PAM QUILICI BOARD MEMBER	1.00	X					0	0	0
(11) CHARLES ROSSON BOARD MEMBER	1.00	X					0	0	0
(12) KATHY SCHROEDER BOARD MEMBER	1.00	X					0	0	0
(13) TERRENCE VILLAR BOARD MEMBER	1.00	X					0	0	0
(14) JOHN WASHINGTON BOARD MEMBER	1.00	X					0	0	0
(15) GERARD SULLIVAN BOARD MEMBER (THRU 3/18/19)	1.00	X					0	0	0
(16) BENJAMIN MCKAY EXECUTIVE DIRECTOR	37.50			X			596,305	0	34,985
(17) JOY ERVEN COO & DIRECTOR	37.50			X			331,831	0	17,760

Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)				(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations	
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former		
(18) MICHAEL CATUREGLI SR. VP, IT & DATA ANALYSIS	37.50			X			246,214	0	34,437
(19) SUSAN BRYANT SR. VP, FINANCE	37.50			X			210,622	0	17,988
(20) PAMELA BOYES VP, HUMAN RESOURCES	37.50			X			154,500	0	32,617
(21) PATRICIA MCAULEY SR. VP, EDUCATION & COMPLIANCE	37.50			X			162,813	0	15,937
(22) THOMAS LEIBOLD TEAM LEAD APPLICATIONS DEVELOPER	37.50			X			160,031	0	15,857
(23) CLISTON BROWN VP, COMMUNICATIONS	37.50				X		138,050	0	15,751
(24) JODY BLACK VP, DATA ANALYSIS	37.50				X		135,121	0	16,206
(25) SATYA VANI GANTI SR. APPLICATIONS DEVELOPER	37.50				X		111,333	0	31,845

1b Sub-Total	►			
c Total from continuation sheets to Part VII, Section A	►			
d Total (add lines 1b and 1c)	►	2,246,820	0	233,383

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ► 10

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual	3	No
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	4	Yes
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person	5	No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
KIKODA LLC 1632 CHADWICK WAY TALLAHASSEE, FL 32312	SOFTWARE DEVELOPMENT	494,937
RACKSPACE US INC PO BOX 730759 DALLAS, TX 75373	HOSTING SERVICES	332,077
KOTA NETWORKS INC 3413 ZION CANYON COURT PLEASANTON, CA 94588	NETWORK EQUIP SUPPORT	208,492
JAMES GREEN, 7115 N DIVISION STE B241 SPOKANE, WA 99208	MEDIA/VIDEO/PHOTOGRAPHY	173,441
BPM LLP 600 CALIFORNIA STREET STE 600 SAN FRANCISCO, CA 94108	ACCOUNTING	168,175
2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ► 7		

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

Contributions, Gifts, Grants and Other Similar Amounts		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
1a Federated campaigns . . .	1a				
b Membership dues . . .	1b				
c Fundraising events . . .	1c				
d Related organizations	1d				
e Government grants (contributions)	1e				
f All other contributions, gifts, grants, and similar amounts not included above	1f				
g Noncash contributions included in lines 1a - 1f:\$					
h Total. Add lines 1a-1f					
Program Service Revenue		Business Code			
2a STAMPING FEES		900099	19,886,958	19,886,958	
b					
c					
d					
e					
f All other program service revenue.					
g Total. Add lines 2a-2f		19,886,958			
Other Revenue					
3 Investment income (including dividends, interest, and other similar amounts)			133,221		133,221
4 Income from investment of tax-exempt bond proceeds					
5 Royalties					
6a Gross rents	(i) Real	(ii) Personal			
b Less: rental expenses					
c Rental income or (loss)					
d Net rental income or (loss)					
7a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
b Less: cost or other basis and sales expenses					
c Gain or (loss)					
d Net gain or (loss)					
8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a				
b Less: direct expenses	b				
c Net income or (loss) from fundraising events					
9a Gross income from gaming activities. See Part IV, line 19	a				
b Less: direct expenses	b				
c Net income or (loss) from gaming activities					
10a Gross sales of inventory, less returns and allowances	a				
b Less: cost of goods sold	b				
c Net income or (loss) from sales of inventory					
11a Miscellaneous Revenue	Business Code				
b					
c					
d All other revenue					
e Total. Add lines 11a-11d					
12 Total revenue. See Instructions.		20,020,179	19,886,958	0	133,221

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	144,502			
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, line 15 and 16.				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	2,031,896			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	6,557,808			
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions)	200,004			
9 Other employee benefits	1,887,065			
10 Payroll taxes	646,926			
11 Fees for services (non-employees):				
a Management				
b Legal	197,108			
c Accounting	205,775			
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	11,351			
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	1,779,009			
12 Advertising and promotion				
13 Office expenses	1,023,684			
14 Information technology	417,918			
15 Royalties				
16 Occupancy	1,063,716			
17 Travel	660,858			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	161,677			
20 Interest	38,016			
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	1,513,680			
23 Insurance	154,515			
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a EMPLOYEE RELATIONS	182,538			
b DUES AND SUBSCRIPTIONS	100,511			
c RETIREE INSURANCE COST	53,198			
d UBI TAX PAYMENTS	1,250			
e All other expenses	6,392			
25 Total functional expenses. Add lines 1 through 24e	19,039,397			
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				
Check here ► <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

Part X **Balance Sheet**Check if Schedule O contains a response or note to any line in this Part IX

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	816,649	1	2,010,227
	2 Savings and temporary cash investments	1,254,894	2	18,012
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	2,235,201	4	2,217,649
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	314,981	9	266,756
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	17,066,989		
	b Less: accumulated depreciation	11,261,942	10c	5,805,047
	11 Investments—publicly traded securities	4,242,724	11	5,992,512
	12 Investments—other securities. See Part IV, line 11		12	
	13 Investments—program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	218,282	15	232,751
	16 Total assets. Add lines 1 through 15 (must equal line 34)	15,994,419	16	16,542,954
Liabilities	17 Accounts payable and accrued expenses	605,574	17	305,872
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	1,300,000	23	750,000
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17 - 24). Complete Part X of Schedule D	5,100,386	25	4,808,639
	26 Total liabilities. Add lines 17 through 25	7,005,960	26	5,864,511
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here ► <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	8,988,459	27	10,678,443
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here ► <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	8,988,459	33	10,678,443
	34 Total liabilities and net assets/fund balances	15,994,419	34	16,542,954

Part XI

Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	20,020,179
2	Total expenses (must equal Part IX, column (A), line 25)	2	19,039,397
3	Revenue less expenses. Subtract line 2 from line 1	3	980,782
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	8,988,459
5	Net unrealized gains (losses) on investments	5	709,202
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	10,678,443

Part XII **Financial Statements and Reporting**Check if Schedule O contains a response or note to any line in this Part XII 1 Accounting method used to prepare the Form 990: Cash Accrual Other _____

If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.

2a Were the organization's financial statements compiled or reviewed by an independent accountant?

If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:

 Separate basis Consolidated basis Both consolidated and separate basis

b Were the organization's financial statements audited by an independent accountant?

If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:

 Separate basis Consolidated basis Both consolidated and separate basis

c If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?

If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.

3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?

b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

	Yes	No
2a		No
2b	Yes	
2c	Yes	
3a		No
3b		

Additional Data

Software ID:

Software Version:

EIN: 94-0912095

Name: THE SURPLUS LINE ASSOCIATION
OF CALIFORNIA

Form 990 (2018)

Form 990, Part III, Line 4a:

THE SLA PROVIDES INFORMATION AND INSTRUCTION TO ITS MEMBERS AND OTHER INTERESTED PERSONS CONCERNED BY BROADENING ITS COMMUNICATION CAPABILITIES, PRESENTING SEMINARS, EDUCATING THE INDUSTRY AND CONSUMERS IN SURPLUS LINE LAWS AND REGULATIONS, ASSISTING WITH THE REGULATORY COMPLIANCE QUESTIONS, AND DISSEMINATING, IN A TIMELY MATTER, UPDATED AND CURRENT INFORMATION RELATIVE TO THE SURPLUS LINE INDUSTRY. SLA CONSISTS OF 5,913 MEMBERS, ISSUED 1,355 CONTINUING EDUCATION CERTIFICATES, AND CONDUCTED 11 SEMINARS AND 37 BROKER VISITS AND TRAININGS.

SCHEDULE D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**

► Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
 ► Attach to Form 990.
 ► Go to www.irs.gov/Form990 for the latest information.

2018**Open to Public
Inspection****Name of the organization**
THE SURPLUS LINE ASSOCIATION
OF CALIFORNIA**Employer identification number**
94-0912095**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? Yes No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? Yes No

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

Preservation of land for public use (e.g., recreation or education) Preservation of an historically important land area
 Protection of natural habitat Preservation of a certified historic structure
 Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

a Total number of conservation easements Held at the End of the Year
 2a _____
 2b _____
 2c _____
 2d _____

b Total acreage restricted by conservation easements
 c Number of conservation easements on a certified historic structure included in (a)
 d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► _____

4 Number of states where property subject to conservation easement is located ► _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year
 ► _____

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year
 ► \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1 ► \$ _____

(ii) Assets included in Form 990, Part X ► \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenue included on Form 990, Part VIII, line 1 ► \$ _____

b Assets included in Form 990, Part X ► \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? . . .

Yes No

Part IV Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? . . . Yes No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ►

b Permanent endowment ►

c Temporarily restricted endowment ►

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations

(ii) related organizations

b If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Yes	No
3a(i)	
3a(ii)	
3b	

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements		1,807,269	1,063,395	743,874
d Equipment		15,195,355	10,198,547	4,996,808
e Other		64,365		64,365
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) . . . ►				5,805,047

Part VII Investments—Other Securities. Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		

Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ►

Part VIII Investments—Program Related.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		

Total. (Column (b) must equal Form 990, Part X, col.(B) line 13.) ►

Part IX Other Assets. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	

Total. (Column (b) must equal Form 990, Part X, col.(B) line 15.) ►

Part X Other Liabilities. Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
(1) Federal income taxes	
OTHER ACCRUED LIABILITIES	1,397,478
ACCRUED PENSION LIABILITY	1,060,113
ACCRUED POST RETIREMENT BENEFIT LIABILITY	2,011,774
DEFERRED RENT	339,274
(5)	
(6)	
(7)	
(8)	
(9)	

Total. (Column (b) must equal Form 990, Part X, col.(B) line 25.) ►

4,808,639

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	20,729,381
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	709,202
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	709,202
3	Subtract line 2e from line 1	3	20,020,179
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1 :		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	0
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	20,020,179

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	19,039,397
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	19,039,397
4	Amounts included on Form 990, Part IX, line 25, but not on line 1 :		
a	Investment expenses not included on Form 990, Part VIII, line 7b . . .	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	0
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	19,039,397

Part XIII **Supplemental Information**

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Return Reference	Explanation
See Additional Data Table	

Part XIII Supplemental Information (continued)

Return Reference	Explanation

Additional Data

Software ID:

Software Version:

EIN: 94-0912095

Name: THE SURPLUS LINE ASSOCIATION
OF CALIFORNIA

Supplemental Information

Return Reference	Explanation
PART X, LINE 2:	THE ASSOCIATION HAS BEEN GRANTED A CERTIFICATE OF EXEMPTION FROM PAYMENT OF FEDERAL AND STATE INCOME TAXES UNDER SECTION 501(C)(6) OF THE INTERNAL REVENUE CODE AND UNDER SECTION 23701E OF THE CALIFORNIA REVENUE AND TAXATION CODE. THE ASSOCIATION ADOPTED GUIDANCE ISSUED BY THE FINANCIAL ACCOUNTING STANDARDS BOARD (FASB) WHICH ESTABLISHED A SINGLE MODEL TO ADDRESS ACCOUNTING FOR UNCERTAIN TAX POSITIONS AND CLARIFIED THE ACCOUNTING FOR INCOME TAXES BY PRESCRIBING A MINIMUM THRESHOLD A TAX POSITION IS REQUIRED TO MEET BEFORE BEING RECOGNIZED IN THE FINANCIAL STATEMENTS. AN UNCERTAIN TAX POSITION REPRESENTS A TAX POSITION MANAGEMENT DETERMINES MAY HAVE A LESS THAN 50 PERCENT CHANCE OF BEING SUSTAINED UPON AN EXAMINATION BY A TAXING AUTHORITY. WHILE THE ASSOCIATION DOES NOT CURRENTLY INCLUDE AN INCOME TAX PROVISION IN THE FINANCIAL STATEMENTS, MANAGEMENT MONITORS THE REPORTING OF UNCERTAIN TAX POSITIONS USED IN PREPARATION OF THE ASSOCIATION'S TAX RETURN, INCLUDING APPLICABLE INTEREST AND PENALTIES RELATED TO MATERIAL UNCERTAIN TAX POSITIONS, WHICH COULD RESULT IN RECORDING OF AN INCOME TAX PROVISION IN THE FUTURE. THE ASSOCIATION EVALUATED ITS TAX POSITION FOR ALL OPEN TAX YEARS. CURRENTLY, THE TAX YEARS OPEN AND SUBJECT TO EXAMINATION ARE THE 2016 THROUGH 2019 TAX YEARS BY THE INTERNAL REVENUE SERVICE AND THE 2015 THROUGH 2019 TAX YEARS BY THE CALIFORNIA FRANCHISE TAX BOARD.

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

**Schedule I
(Form 990)**Department of the
Treasury
Internal Revenue ServiceName of the organization
THE SURPLUS LINE ASSOCIATION
OF CALIFORNIA

OMB No. 1545-0047

**Grants and Other Assistance to Organizations,
Governments and Individuals in the United States**

Complete if the organization answered "Yes," on Form 990, Part IV, line 21 or 22.

► Attach to Form 990.

► Go to www.irs.gov/Form990 for the latest information.**2018****Open to Public
Inspection**

Employer identification number

94-0912095

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

(a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
(1) See Additional Data							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ► 4

3 Enter total number of other organizations listed in the line 1 table ► 1

Part III Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
 Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of noncash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					

Part IV Supplemental Information. Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

Return Reference	Explanation
PART I, LINE 2:	THE SLA GRANTS MONEY TO PROGRAMS THAT ARE ESTABLISHED FOR SPECIFIC PURPOSES AS RELATED TO THE SURPLUS LINES INDUSTRY.

Additional Data

Software ID:

Software Version:

EIN: 94-0912095

Name: THE SURPLUS LINE ASSOCIATION
OF CALIFORNIA

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
INSURANCE INDUSTRY CHARITABLE FOUNDATION 1999 AVENUE OF THE STARS STE 1100 LOS ANGELES, CA 90067	20-1240972	501(C)(3)	48,500				GENERAL SUPPORT
CAL STATE FULLERTON PHILANTHROPIC FOUNDATION INC 2600 NUTWOOD AVENUE STE 850 FULLERTON, CA 92831	33-0567945	501(C)(3)	20,000				GENERAL SUPPORT

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
USC MARSHALL SCHOOL OF BUSINESS 1150 SOUTH OLIVE STREET SUITE 2900 LOS ANGELES, CA 90015	95-1642394	501(C)(3)	10,000				RISK MANAGEMENT PROGRAM
WOMEN OF WHOLESALE 650 CALIFORNIA STREET 2900 SAN FRANCISCO, CA 94108	83-1562802		10,000				MAKE A HUGE DIFFERENCE SPONSORSHIP: TO SUPPORT PROFESSIONAL DEVELOPMENT OPPORTUNITIES FOR MEMBERS AND THE PHILANTHROPIC EFFORTS IN THEIR LOCAL COMMUNITIES.

Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of grant (non-cash assistance)	(h) Purpose of grant
UNIVERSITY OF COLORADO FOUNDATION 1800 GRANT STREET DENVER, CO 80203	84-6049811	501(C)(3)	30,000			RMI PROGRAM	

Schedule J
(Form 990)**Compensation Information**

OMB No. 1545-0047

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
 ► Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
 ► Attach to Form 990.
 ► Go to www.irs.gov/Form990 for instructions and the latest information.

2018**Open to Public Inspection**Department of the Treasury
Internal Revenue ServiceName of the organization
THE SURPLUS LINE ASSOCIATION
OF CALIFORNIAEmployer identification number
94-0912095**Part I Questions Regarding Compensation**

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)

b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

<input checked="" type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract
<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study
<input checked="" type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee

4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

a Receive a severance payment or change-of-control payment?
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?
c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

a The organization?
b Any related organization?

If "Yes," on line 5a or 5b, describe in Part III.

6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

a The organization?
b Any related organization?

If "Yes," on line 6a or 6b, describe in Part III.

7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1b		
2		
4a	No	
4b	No	
4c	No	
5a		
5b		
6a		
6b		
7		
8		
9		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

Part III **Supplemental Information**

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Additional Data**Software ID:****Software Version:****EIN:** 94-0912095**Name:** THE SURPLUS LINE ASSOCIATION
OF CALIFORNIA**Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
BENJAMIN MCKAY EXECUTIVE DIRECTOR	(i)	375,897	81,000	139,408	6,863	28,122	631,290	0
	(ii)	0	0	0	0	0	0	0
JOY ERVEN COO & DIRECTOR	(i)	217,562	41,000	73,269	6,072	11,688	349,591	0
	(ii)	0	0	0	0	0	0	0
MICHAEL CATUREGLI SR. VP, IT & DATA ANALYSIS	(i)	205,534	31,000	9,680	6,315	28,122	280,651	0
	(ii)	0	0	0	0	0	0	0
SUSAN BRYANT SR. VP, FINANCE	(i)	209,622	1,000	0	6,300	11,688	228,610	0
	(ii)	0	0	0	0	0	0	0
PAMELA BOYES VP, HUMAN RESOURCES	(i)	154,500	0	0	4,495	28,122	187,117	0
	(ii)	0	0	0	0	0	0	0
PATRICIA MCAULEY SR. VP, EDUCATION & COMPLIANCE	(i)	154,187	1,000	7,626	4,249	11,688	178,750	0
	(ii)	0	0	0	0	0	0	0
THOMAS LEIBOLD TEAM LEAD APPLICATIONS DEVELOPER	(i)	136,722	1,000	22,309	4,169	11,688	175,888	0
	(ii)	0	0	0	0	0	0	0
CLISTON BROWN VP, COMMUNICATIONS	(i)	136,650	1,000	400	4,063	11,688	153,801	0
	(ii)	0	0	0	0	0	0	0
JODY BLACK VP, DATA ANALYSIS	(i)	105,121	30,000	0	4,518	11,688	151,327	0
	(ii)	0	0	0	0	0	0	0

Schedule L

Transactions with Interested Persons

- Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
 - Attach to Form 990 or Form 990-EZ.
 - Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2018

**Open to Public
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Department of the Treasury
Internal Revenue Service

Name of the organization
THE SURPLUS LINE ASSOCIATION
OF CALIFORNIA

Employer identification number

94-0912095

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958.

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ►

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?	(e) Original principal amount	(f) Balance due	(g) In default?	(h) Approved by board or committee?		(i) Written agreement?
						Yes	No	Yes	No
			To						
			From						
Total	►	\$		

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) CAROLINE GILBERT	FAMILY MEMBER OF ROBERT GILBERT, CHAIR	89,813	CAROLINE GILBERT IS AN EMPLOYEE OF THE ASSOCIATION		No

Part V Supplemental Information

Provide additional information for responses to questions on Schedule L (see instructions).

Return Reference	Explanation

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury

Supplemental Information to Form 990 or 990-EZComplete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

- ▶ Attach to Form 990 or 990-EZ.
- ▶ Go to www.irs.gov/Form990 for the latest information.

2018**Open to Public
Inspection**

Name of the organization

THE SURPLUS LINE ASSOCIATION
OF CALIFORNIA**Employer identification number**

94-0912095

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11B	THE ORGANIZATION'S ACCOUNTING FIRM PREPARED THE FORM 990 BASED ON THE INFORMATION PROVIDED BY THE ORGANIZATION'S DIRECTOR AND STAMPING OFFICER. THE COO, HR AND OUTSIDE CONTROLLER REVIEWED AND SENT TO THE EXECUTIVE DIRECTOR. THE EXECUTIVE DIRECTOR REVIEWED AND SENT TO THE CHAIRMAN BEFORE AUTHORIZING ACCOUNTING FIRM TO OFFICIALLY FILE THE FORM 990.

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	AT EACH BOARD MEETING, BOARD MEMBERS ARE REQUIRED TO DISCLOSE ANY CONFLICTS OR POTENTIAL CONFLICTS OF INTEREST TO THE BOARD.

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	THE HR VP CONDUCTED A COMPENSATION REVIEW OF SIMILAR POSITIONS AND INDUSTRY DATA, AS WELL AS CONTRACTED WITH AN INDEPENDENT SALARY CONSULTANT. EXECUTIVE DIRECTOR SALARIES ARE DISCUSSED IN AN ONE ON ONE BETWEEN THE EXECUTIVE DIRECTOR AND THE CHAIRMAN IN THEIR ANNUAL PERFORMANCE REVIEW.

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	THE GOVERNING DOCUMENTS ARE AVAILABLE ON THE ORGANIZATION'S WEBSITE. FINANCIAL STATEMENTS ARE AVAILABLE UPON REQUEST FOR THE SAME PERIOD OF TIME SET FORTH IN SEC. 6104(D).