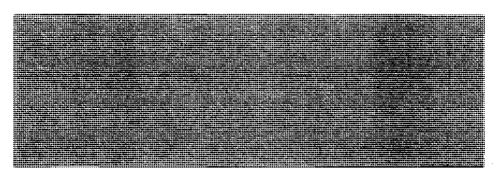


NOTICE TO AGENT OR BROKER OF UNION GENERAL INSURANCE COMPANY



TO:



FROM: Florida Department of

Insurance, Receiver

DATE: May 12, 1993

Union General Insurance Company (Union General) was placed in liquidation on May 11, 1993, by the Circuit Court of Leon County, Florida.

The company's records indicate that you were an agent or broker of Union General. You are accordingly advised of the following Florida Statutes that affect the company's policyholders and legally impose certain obligations on you.

- The liquidation order cancels all Union General policies as of 12:01 a.m. June 11, 1993. If the policy was scheduled for termination prior to this date because of normal expiration, termination by the insured, or lawful cancellation by the insurer, the earlier date applies. (F.S. 631.252).
- ② You must provide written notice of Union General's insolvency to each policyholder not otherwise replaced or reinsured with a solvent authorized insurer. (F.S. 631.341, see reverse).

In addition, paragraph 17 on page five of the Order of Liquidation states that all premiums and commissions you collected on behalf of Union General now unearned due to cancellation of policies by the liquidation order must be accounted for and paid directly to the Receiver upon demand within 30 days; no agent, broker or premium finance company may use premium monies owed to Union General for refund of unearned premium or any purpose other than payment to the Receiver. Violation constitutes contempt of Court. You have the right to appear before the Court and show cause if you feel that you are not required to account to the Receiver.

Please direct payments and inquiries to the Receiver at:

Union General Insurance Company Florida Department of Insurance, Receiver Post Office Box 110 Tallahassee, FL 32302-0110 (904) 488-7973; (904) 922-0289 (FAX) Please direct <u>new</u> claims to:

Union General Insurance Company Florida Department of Insurance, Receiver Post Office Box 02-5468 Miami, FL 33102-5468 (305) 590-9000; (305) 590-9304 (FAX) *631.341 Notice of insolvency to policyholders by insurer, general agent, or agent.

- (1) The receiver shall, immediately after appointment in any delinquency proceeding against an insurer in which the policies have been canceled, give written notice of such proceeding to each general agent and licensed agent of the insurer in this state. Each general agent and licensed agent of the insurer in this state shall forthwith give written notice of such proceeding to all subagents, producing agents, brokers, solicitors, and service representatives writing business through such general agent or licensed agent, whether or not such subagents, producing agents, brokers, solicitors, and servicing representatives are licensed or permitted by the insurer and whether or not they are operating under a written agency contract.
- (2) Unless, within 15 days subsequent to the date of such notice, all agents referred to in subsection (1) have either replaced or reinsured in a solvent authorized insurer the insurance coverages placed by or through such agent in the delinquent insurer, such agents shall then, by registered or certified mail, send to the last known address of any policyholder a written notice of the insolvency of the delinquent insurer.
- (3) The license, permit, or certificate of authority of any person, firm, or corporation which fails to comply with the provisions of this section is subject to revocation as otherwise provided by law.
- (4) If such person, firm, or corporation is not licensed or permitted or the holder of a certificate of authority under any section of this code, such person, firm, or corporation, or the officers and directors thereof, are, upon failure to comply with the provisions of this section, guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or by a fine of not more than \$5,000.

History.

s. 750, ch. 59-205; s. 15, ch. 70-27; s. 809(1st), ch. 82-243; s. 24, ch. 83-38; ss. 187, 188, ch. 91-108.