



DEPARTMENT OF FINANCIAL SERVICES

Division of Rehabilitation and Liquidation
www.floridainsurancereceiver.org

Si necesita una versión en español de este aviso, visite el sitio web de la
División de Rehabilitación y Liquidación www.myfloridacfo.com/Receiver.
(If you need a Spanish version of this notice, visit the Receiver's website at www.myfloridacfo.com/Receiver)

NOTICE TO FLORIDA AGENT OR BROKER **March 29, 2011**

Regarding the Liquidation of Seminole Casualty Insurance Company

On March 15, 2011, Seminole Casualty Insurance Company ("Seminole") was ordered liquidated by the Second Judicial Circuit Court in Leon County, Florida. The Florida Department of Financial Services is the court appointed Receiver of Seminole. A copy of the liquidation order for Seminole is available on the Receiver's website, www.myfloridacfo.com/Receiver.

The Receiver is sending this notice of the receivership proceedings to all of the Seminole agents of record in order to provide them with information to better assist them in advising the Seminole policyholders who are their clients. **As you are an agent of record, you are advised that the liquidation order significantly affects the company's policyholders and legally imposes certain obligations on you. The Florida Department of Financial Services, as Receiver of Seminole, expects you to contact your policyholder clients and assist them with any questions they may have regarding the receivership proceeding.**

As agent for Seminole and pursuant to Section 631.341, Florida Statutes, you are also expected to provide a written notice of the receivership, by registered or certified mail, to policyholders whose policy has not been replaced or reinsured with a solvent authorized insurer. A copy of Section 631.341, Florida Statutes, is found at the end of this notice. At this time, the Receiver is plans to send a notice of the liquidation proceedings to each of the Seminole policyholders. Please note, however, that you are still responsible for providing notice to policyholders under Section 631.341, Florida Statutes. When providing notice of the March 15, 2011 liquidation to Seminole's Florida policyholders, you should inform them that:

- Seminole's insurance policies are cancelled effective 11:59 p.m. on April 14, 2011, unless otherwise terminated prior to that date;
- The claims filing deadline for filing claims in the Seminole receivership proceeding is 11:59:59 p.m. on March 16, 2012; and
- The deadline for pursuing any claims with the Florida Insurance Guaranty Association is March 16, 2013.

POLICY CANCELLATION: Seminole primarily wrote personal and commercial auto policies. Although licensed in eight states, the company had in-force policies only in Florida and Maryland. As of the end of February, Seminole had a total of approximately 36,671 Florida personal auto policies; 1,764 Florida commercial auto policies; 2,644 Florida artisan contractors' general liability policies; and 1,161 Maryland personal auto policies in force. **Under the liquidation order, all Seminole policies are cancelled effective 11:59 p.m. on April 14, 2011, unless otherwise terminated prior to that date.** Upon liquidation, the property and casualty insurance policies of the Florida policyholders are covered by the Florida Insurance Guaranty Association. See below for further details.

PREMIUM ISSUES: In accordance with Section 631.155, Florida Statutes and paragraph T on page 7 of the Seminole Liquidation Order, all premiums and unearned commissions you collected on behalf of Seminole must be accounted for and paid directly to the Receiver within 30 days. No agent, broker, premium finance company or other person may use premium monies owed to Seminole for refund of unearned premium or for 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.

Until further notice, please remit unearned commissions to Seminole as normal.

Premium Refunds/Unearned Premium (Florida policyholders only):

The Florida Insurance Guaranty Association ("FIGA") will pay unearned premium claims after the Receiver completes its processing of the policy records and sends the unearned premium records to FIGA. A \$100 statutory deductible will be taken from the amount owed. If the premium refund due is \$100 or less, a refund will not be processed by FIGA.

All \$100 statutory deductibles on unearned premium claims and unearned premium claims that are less than \$100 may become claims against the estate of Seminole. The Receiver intends to seek court approval to deem all unearned premium claims as timely filed. If approved, this means that unearned premium claimants will have a claim in the Seminole estate without having to file a proof of claim form. No action is required by unearned premium claimants at this time. Additional information about the deem filing of unearned premium claims will be posted on the Receiver's website, www.myfloridacfo.com/Receiver, once available.

CLAIMS ISSUES (FOR LOSSES INCURRED PRIOR TO 11:59 p.m. on April 14, 2011): All policyholders should be informed that the deadline for filing claims in the Seminole receivership is 11:59:59 p.m. on March 16, 2012. Information regarding the method for filing a claim in the receivership proceeding will be available on the Receiver's website, www.myfloridacfo.com/Receiver.

FOR CLAIMS OF FLORIDA POLICYHOLDERS: With the entry of the liquidation order, the Florida Insurance Guaranty Association ("FIGA") has been activated to help pay outstanding claims for property and casualty policies. The processing and payment of pending covered claims will be made by FIGA (subject to the lesser of policy limits or FIGA's maximum cap). The maximum amount FIGA will cover is \$300,000. No claim will be paid in excess of this cap. All claims are subject to a \$100 deductible over and above any deductible identified in the Seminole policy. A policyholder may file a claim with the Receiver for the \$100 deductible and for amounts over the cap. For additional general information regarding FIGA, please visit the guaranty association's website at www.figafacts.com. Per Section 631.68, Florida Statutes, the deadline for settling a claim or filing suit against FIGA is March 16, 2013 (i.e., one year after the Receiver's claim filing deadline).

FOR CLAIMS OF MARYLAND POLICYHOLDERS: With the entry of the liquidation order, the Maryland Property and Casualty Insurance Guaranty Corporation is activated to help pay outstanding claims for property and casualty policies. The processing and payment of pending claims will be made in accordance with the

Maryland state statutes. Other deadlines may apply to policyholders in Maryland based on its state statutes. A separate notice may be sent to Seminole's agents and policyholders in Maryland.

PLEASE NOTE REGARDING ALL CLAIMS PAYMENTS: The Receiver is currently gathering claim files and claim data in order to forward the information to the appropriate guaranty association. As a result, there may be a slight delay in claim processing during this transitional period. Please continue to contact Seminole using the contact information below to check the status of an existing claim and/or to file a new claim. The Receiver's website, www.myfloridacfo.com/Receiver, will be updated once the transition is completed. At that time, new contact information will be posted to assist policyholders in filing a new claim or in following up on a pending claim.

CONSUMER/CLAIMS CALLS: Until further notice, consumers with questions regarding Seminole should continue to visit the company's website at www.seminoleinsurance.com or contact the company directly as follows:

Seminole Casualty Insurance Company – Direct Contact Information:

Customer Service

1-800 Phone Number #800-393-5827

Local Phone Number #954-623-6700

Claims

1-800 Phone Number #800-393-LOSS (5677)

CONTACTING THE RECEIVER: Please contact the Receiver by using the "Contact Us" form at the Receiver's website, www.myfloridacfo.com/Receiver if you have any non-claims related questions regarding the receiverships (for claims questions, please refer to the phone numbers provided above). You may also contact the Florida Department of Financial Services, as Receiver, at (850) 413-3081 or toll free at 1-800-882-3054 (in Florida only).

Your anticipated cooperation and assistance in these matters is greatly appreciated.

Section 631.341, Florida Statutes (2010)

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, and service representatives writing business through such general agent or licensed agent, whether or not such subagents, producing agents, brokers, 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; s. 4, ch. 91-429; s. 68, ch. 2002-206.