



DIVISION OF REHABILITATION AND LIQUIDATION

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

NOTICE TO AGENT OR BROKER
November 27, 2017

Regarding the Liquidation of Guarantee Insurance Company

On November 27, 2017, Guarantee Insurance Company ("GIC") was ordered liquidated by the Second Judicial Circuit Court in Leon County, Florida. The Florida Department of Financial Services ("Department") is the court appointed Receiver of GIC. A copy of the liquidation order for GIC is available on the Department's website, www.myfloridacfo.com/division/receiver.

The Department is sending this notice of the receivership proceedings to all of the GIC agents of record in order to provide them with information to better assist them in advising the GIC 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 Department expects you to contact your policyholder clients and assist them with any questions they may have regarding the receivership proceeding.**

As agent for GIC 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, or by email with delivery receipt required, to the last known address of 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. When providing notice of the liquidation to GIC's policyholders, you should inform them that:

- GIC's insurance policies are cancelled effective December 27, 2017, unless otherwise terminated prior to that date; and
- The claims filing deadline for filing claims in the GIC receivership proceeding is on May 29, 2018.

POLICY CANCELLATION: GIC wrote workers' compensation insurance policies. Although licensed in forty states and the District of Columbia, the company had in-force policies in thirty-one states and the District of Columbia. **Under the liquidation order, all GIC policies are cancelled effective December 27, 2017, unless otherwise terminated prior to that date.**

PREMIUM ISSUES: In accordance with Section 631.155, Florida Statutes, all premiums and unearned commissions you collected on behalf of GIC must be accounted for and paid directly to the Department within 30 days. No agent, broker, premium finance company or other person may use premium monies owed to GIC for refund of unearned premium or for any purpose other than payment to the Department. 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 Department.

Premium Refunds/Unearned Premium:

Guaranty Associations will pay covered unearned premium claims pursuant to each state's applicable statutes after the Department completes its processing of the policy records, conducts any premium audits, and sends the unearned premium records to the applicable Guaranty Association.

CLAIMS ISSUES (FOR LOSSES INCURRED PRIOR TO 11/27/2017): All policyholders should be informed that the deadline for filing claims in the GIC receivership is May 29, 2018. Information regarding the method for filing a claim in the receivership proceeding will be available on the Department's website, www.myfloridacfo.com/division/receiver.

With the entry of the liquidation order, the guaranty associations of the states where GIC wrote business are activated to help pay outstanding covered claims of those states' GIC policyholders. The processing and payment of pending claims will be made in accordance with the statutes of each of the affected states. Some states exclude claims of high net worth insureds and claims under large deductible policies. These claims will become the responsibility of the policyholder. Contact your state guaranty association for additional details.

PLEASE NOTE REGARDING ALL CLAIMS PAYMENTS: The Department is currently gathering claim files and claims data in order to forward the information to the appropriate Guaranty Associations. Please contact GIC using the contact information below to check the status of an existing claim and/or to file a new claim. The Department's website, www.myfloridacfo.com/division/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 GIC should visit the company's website at www.guaranteeins.com/ or contact the company directly as follows:

Guarantee Insurance Company – Direct Contact Information:

General Information: 800-948-2651 (toll free) or 954-556-1600 (main phone)

Claims (all States): GIC Client Service Center: 1-877-886-4334 (toll free)

CONTACTING THE DEPARTMENT:

If you have any non-claims related questions regarding the receivership, please contact the Department at Consumer.services@myfloridacfo.com or by calling (850) 413-3081 or toll free at 1-800-882-3054.

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

Section 631.341, Florida Statutes

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, or by e-mail with delivery receipt required, 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; s. 16, ch. 2015-180.