

New Year, High Priorities

Dear friends,

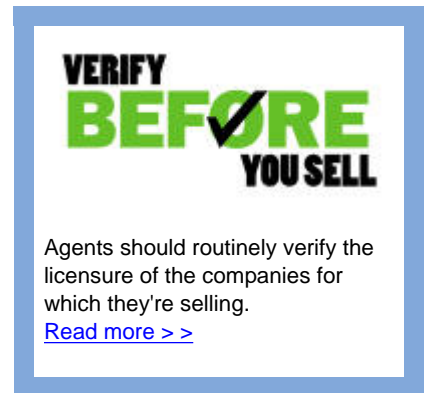
The 2012 Legislative Session is in full swing and we are working together with our legislative leaders to enact meaningful reforms this year. We must do everything we can to root out fraud and eliminate any and all regulatory or procedural barriers that stifle job creation and economic growth. These goals are driven by one mission: to keep more of your hard-earned dollars in your pocket, where it belongs.

These reforms impact our licensed and future licensed community by reducing burdensome restrictions, procedures, and costs associated with certain license types. Many of these reforms will update antiquated laws to today's standards as well as ensure an even playing field within the industry. We are already [implementing process improvements](#) regarding examinations that will be a cost savings and keep more of your money in your pocket.

We will continue to provide you with the most up to date information on these reforms via this newsletter, as well as provide email updates when changes take place. Be sure to verify your contact information is current so that you won't miss any information regarding important changes that impact how you manage your business. Be sure to check the [In The Know](#) section for any updates thus far and guidance on verifying your contact information.

As always, we are interested in hearing your valuable [feedback](#) so that we can continue to serve you better.

Thank you,
Jeff Atwater
Chief Financial Officer
State of Florida



News You Can Use

- Updating you on what's going on

PearsonVUE Will Begin Handling the Entire Examination Process Next Month

Beginning February 24, 2012, the Department will no longer collect any examination fees. Persons who wish to schedule an examination will be directed to the examination vendor's website for payment and scheduling. The examination vendor is PearsonVUE. This new process allows persons to test without first submitting an application with the Department, although the option of applying first remains. This change will improve customer service by speeding up the examination process since there will no longer be the requirement to apply for an examination-only application with the Department and become authorized before taking the exam. The Bail Bond application process has not changed and Bail Bond applicants must first apply for a license and become authorized before scheduling and paying for the examination.

This upcoming process improvement will lead to the examination cost dropping to \$42 per exam, which is a 25% savings. The cost savings exemplifies our mission to keep more of your hard-earned dollars in your pocket, where it belongs.

Please note that passing an examination does not mean the person will automatically qualify to obtain the license.

For questions, please check our website at www.MyFloridaCFO.com/Agents for more information near the effective date.

Rule Chapter Regarding Customer Representatives Being Amended

Rule Chapter 69B-213, F.A.C., regarding customer representatives, has proposed amendments to conform with current statutory provisions in the Florida Insurance Code.

[Click here to read the rule notice >>](#)

Rule Regarding Forms for Limited Surety (Bail Bond) Agents Effective Jan. 8, 2012

Rule 69B-221.155, Florida Administrative Code became effective on January 8, 2012. The rule adopts four forms to be used by the bail bond industry to: provide the sworn statements required by Section 648.34(2)(d), F.S.; provide the information required by Section 648.355(1), F.S., to qualify for a temporary bail bond license; permit an appointing entity to appoint a licensee to act for the appointing entity by providing the information required by Section 648.382, F.S.; and permit the appointing entity to terminate the appointment of a licensee as provided in Sections 648.383(1) and 648.384(1), F.S.

[Click here to read the adopted rule >>](#)

[See more recent news >>](#)

Make Sure You Don't Miss Important Information From Us

Add our domain **MyFloridaCFO.com** to your email software's Trusted or Safe Senders List to ensure you are able to receive all notifications from us. Licensees who have a valid email address on file with the Department, as required by law, receive important email notifications when something that affects your application, license, continuing education, or appointment(s) occurs. Additionally, we can keep you informed with warnings regarding new schemes and scams being marketed to licensees. You can update your contact information through your [MyProfile](#) account. We want to keep you informed in a timely manner of pertinent information important to you. You are still required to abide by the Florida Insurance Code regardless of whether you read the information we provide or attempt to provide.

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In The Know

- Keeping you informed is what it's all about

Verify and Update Your Email Address and Other Information

Appointment activity does not update or change a licensee's address. While an appointing entity may have your new address, it is not transmitted to the department during the appointment process. The same is true for initial appointments, cancelled appointments and non-renewed appointments. If the licensee's email address, residential address, principal business, street address or mailing address has changed, it is the responsibility of the licensee to advise the department of the change. Changes to these addresses can be made via the licensee's [MyProfile](#) account. Failure to update your address records with the department can result in administrative action against your license and prevent you from obtaining appointments.

After you log in to your [MyProfile](#) account, click "Address Change" on the right. You must go through all of your demographic information by clicking "Continue" to verify the information. If you make any changes, you must click continue in order to complete the checkout process. This will ensure that your changes are saved. If you have another license, such as an agency license, you will need to verify and update the addresses on file with the Department for that license via its separate [MyProfile](#) account.

It is also a good practice to regularly check your [MyProfile](#) account(s) for any messages that we have sent you that you may have missed in your email. If your email address is marked invalid due to your SPAM filter or any other reason, we will not email that address again unless you go into [MyProfile](#) and resubmit the address via the process outlined above. Situations like this is why we continue to suggest you add our **MyFloridaCFO.com** domain to your email software's Trusted or Safe Senders List to ensure you receive all notifications from us. You may also wish to contact your email provider to ensure that our domain is not blocked.

[See [626.551](#) and [648.421](#), Florida Statutes]

Reminder of Important Changes Regarding Appointments in Florida

Appointment Renewals When a Licensee Has an Invalid Address

If a licensee/appointee has an invalid address on file with the Department, then no appointing entity will be able to renew the licensee's appointment. This process is already in place for initiating original appointments and will now be incorporated into the appointment renewal process. When the licensee updates their address(es) in their [MyProfile](#) account, then the licensee will be able to have their appointment(s) renewed. The addresses included in this process are email, home, business and mailing.

Late Fees for Late Original and Late Renewal Appointments

Appointing entities will be assessed the statutory \$250 late fee in addition to the statutory \$60 appointment fee for each initial/original appointment submitted late. A late original appointment is any initial/original appointment that has a requested effective date more than 45 days before the submittal date.

For example, if on March 1, 2012, an appointing entity submits a initial/original appointment with an effective date of January 2, 2012 (more than 45 days from the submittal date) for a licensee, the appointing entity will be required to pay the \$60 original appointment fee and the statutory \$250 late fee. On the other hand, if on March 1, 2012, an appointing entity submits a initial/original appointment with an effective date of February 1, 2012 (less than 45 days from the submittal date), the appointing entity will pay only the \$60 original appointment fee.

Additionally, appointing entities will be assessed the statutory \$25 late fee in addition to the statutory \$60 appointment fee for each appointment renewed late. A late renewal appointment is one that is paid after the renewal month.

The late fees must be paid by the appointing entity and **cannot** be charged back to the appointee.

[See sections [624.501](#), [626.371](#), [626.381](#), [648.382](#), and [648.383](#), Florida Statutes]

Appointment Renewal Timeline and Notification Changes

We will send an email notification to an appointing entity 90 days before an appointment is up for renewal, in addition to posting the renewal invoice in their eAppoint account, which will indicate any appointee with an invalid address. An insurance agency that has appointed a customer representative will receive a similar email notification at the same time. This serves as a reminder and provides the appointing entity time to make modifications to the list of appointments they will be renewing such as reminding any appointee with an invalid address to update it with the Department.

Another email notification will be sent to the appointing entity on the first day of the renewal month informing them that they can now access the appointment(s) that need to be renewed and make payment via eAppoint. Licensees that self-appoint will be sent a similar email notification at the same time. The renewal invoice will become available for payment on the first day of the renewal month and can be paid through the last day of the renewal month without late fees being assessed.

On the first day of the month following the expiration date of an appointment, an email notification will be sent to the appointing entity advising payment was not received, late fees have been assessed, and the invoice will continue to be available for 45 more days for payment, including late fees, otherwise the appointment will be cancelled. If the appointment is not renewed after this 45-day period, the appointment will be cancelled for non-renewal and an email notification will be sent to the appointing entity and the licensee notifying them of the appointment cancellation along with information on the process for reappointment and the late fee.

For example, if an appointment expiration date were March 31, 2012, the invoice would become available for payment on March 1, 2012, without late fees being assessed. On April 1, 2012, late fees are assessed at \$25 per appointment and the invoice remains available for payment until May 15, 2012. On May 16, 2012, if payment has not been received, the appointment is cancelled.

If the appointing entity wishes to reinstate an appointment after it has been cancelled for non-renewal, and no lapse in appointment coverage is desired, the appointing entity will be required to process a initial/original appointment submission and enter the requested effective date. If the initial/original appointment's requested effective date is more than 45 days from the submittal date, then the statutory \$250 late fee described above will be assessed.

Education Central

- Things to know about your continuing education

CE Providers: Updated Course Outline for Senior Suitability Courses

All continuing education providers offering the Senior Suitability (CE9911) course should review the 2012 updated outline effective January 18, 2012. We issued a [memorandum](#) regarding this on the same date, which provides more information and links to the related documents. Additionally, the new outline may be found on our website in the [Education Central](#) section. New course submissions must contain an [outline](#) that includes the minimum course requirements, and all [supplemental forms](#) and attachments to be considered for approval under the CE9911 course authority.

Pre-licensing Education Providers and Instructors: Criminal History of Applicants

Pre-licensing education providers and instructors should be aware that legislation passed last year carries significant impact on the eligibility of applicants for licensure who have prior criminal history. For complete information please visit this link: <http://www.MyFloridaCFO.com/Agents/Licensure/General/PriorCrimHist.htm>.

The Department asks that pre-licensing providers and instructors refer applicants to the Department's webpage or helpline if they have any questions. Please do not attempt to advise any applicant as to what decision the Department would render on his/her application. All applicants should be advised to consider their history and consult with the Department for guidance before enrolling in a pre-licensing course.

How to Search for Approved CE Courses

Looking for continuing education (CE) courses to be sure you get all your hours completed? Our online course search can easily help you out and lists those courses approved by the Department.

1. Go to our website at www.MyFloridaCFO.com/Agents
2. Click on **Education Central** on the left.
3. Click on **Find a CE Course** in the left column. This will open the CE Course Search.
4. Select the **Course Authority** for the type of license held or course you need to take.
5. You can also make other choices, like **Study Method** and **Location**, to narrow your search results.
6. If you click on **Perform an Advanced Search**, you will have additional options to narrow your search results, such as **Course Date** and **Course Level**.

Because many factors may affect your continuing education requirement (e.g. licenses held, number of years licensed, etc.), we encourage you to periodically check your [MyProfile](#) account to determine your individual continuing education compliance requirements and status.

We wish you well as you continue to complete your hours to keep your knowledge current in an ever changing insurance market. And remember, your CE compliance date is your **DUE** date, not your **DO** date.

Compliance Corner

We continue to see a pattern of noncompliance in the areas noted below. This section has been created to assist you in keeping your insurance business in compliance. The items are intended as reminders only and are not necessarily the exact text of the [Florida Statutes](#) or [Florida Administrative Code](#). The legal cites have been provided for your further reference.

Unlawful Sharing of Commission and Controlled Business

An agent may divide or share commissions only with other agents appointed and licensed to write the same kind or kinds of insurance. A licensed or registered insurance agency may legally split, or share, commissions on a sale, but cannot pay new commissions to an unlicensed or non-appointed agent. Legal commission sharing between an agent and an agency is typically arranged through a contract between the parties, in which the producing agent assigns his or her commissions to the agency.

The Department has recently taken disciplinary action against licensees that were engaging in alleged controlled business and unlawful sharing of commissions with entities that were not licensed as a legitimate insurance agency or agent. "Controlled business" is insurance written by an agent on his or her own interests or those of his or her family or of any firm, corporation, or association with which he or she is associated, directly or indirectly, or in which he or she has an interest. A violation of the controlled business law occurs if aggregate commissions in addition to any other compensation accruing in favor of a licensee on the controlled business written exceeds or will exceed 50 percent of the total commissions earned by the licensee during any 12-month period.

Please familiarize yourself with this part of the Florida Insurance Code to ensure you remain compliant and can notify the Department if you become aware of others engaging in these activities.

[See [626.611\(12\)](#), [626.730](#), [626.753\(1\)\(a\)](#), [626.784](#), [626.794\(1\)](#), [626.830](#), and [626.838](#), Florida Statutes]

Customer Representatives: Make Sure You're Appointed

The Florida Statutes are very specific that a licensed customer representative may not act as a customer representative until they have been appointed. Working as a customer representative without an appointment can result in similar disciplinary action as that to working without a license. Therefore, it's very important that you make sure you have an appointment on file with the Department. You can verify if you have an appointment by logging in to your [MyProfile](#) account and click on "Click here to review a list of your active appointments" under APPOINTMENTS. Appointments last no longer than 2 years and must be renewed.

If you have been working as a customer representative for an agency or general lines agent without an appointment, then you will need to get them to retroactively appoint you to the date you first started working for them to cover you for that time period you were not properly appointed. They will need to do this through their [MyProfile](#) account. The agency or agent will need to complete an [Affidavit of Insurance Activity While Not Properly Appointed](#) form (DFS-H2-1105) and submit it to the department.

[See [626.371](#) and [626.7353](#), Florida Statutes]

Case Notes

The following are instances in which licensees or other persons violated the Florida Insurance Code and the administrative action the department has taken against them.

Note: All administrative investigations are subject to referral to the [Division of Insurance Fraud](#) for criminal investigation.

Case: An investigation of a general lines agent alleged that he misappropriated fiduciary funds, caused a consumer's premiums to be financed without the consumer's knowledge, and forged the consumer's signature on premium finance agreements.

Disposition: License revoked. The Division of Insurance Fraud arrested him on charges stemming from the allegations.

Case: An investigation of an insurance company employee adjuster alleged that she diverted insurance claim payments to an unauthorized individual in excess of \$11,000 and failed to submit change of home, business, and mailing addresses to the Department.

Disposition: License revoked. The Division of Insurance Fraud conducted an investigation on charges stemming from the allegations that led to her arrest.

Case: An investigation of a title agent alleged that she misappropriated escrow funds collected in the normal course of business, failed to forward proper premiums to the insurer, made overcharges for recording fees, charged separate line items that are a part of the closing fee, and failed to update home and mailing addresses to the Department.

Disposition: License revoked.

Case: An investigation of a general lines agent alleged that she collected a reduced premium for insurance and failed to remit premiums to the insurer resulting in the cancellation of a policy.

Disposition: License surrendered for two years.

Case: An investigation of a life agent alleged that she submitted multiple insurance applications containing false information without the knowledge, consent, or true signature of the insured.

Disposition: License suspended for 18 months; make restitution to the insurer.

Case: An investigation of a bail bond agent alleged that he failed to return bail bond collateral to indemnitors, failed to refund premiums when no surety bond was issued, failed to make a timely refund, and failed to maintain required documents.

Disposition: License suspended for 6 months; fined \$5,560; make restitution to the consumers.

Case: An investigation of a public adjuster alleged that he charged more than 20% for adjusting a claim, failed to obtain the prior approval of the insured to all the terms and conditions of the adjusting contract, and failed to disclose all the costs to be reimbursed from the insurance proceeds.

Disposition: Fined \$7,500; probation for 12 months; make restitution to the consumer.

Case: An investigation of an automobile warranty firm alleged that its employees charged excess premium for a services agreement contract and failed to refund excess premium in a timely manner.

Disposition: Fined \$5,000; probation for 12 months; make restitution to the consumer.

Case: An investigation of a life agent alleged that he submitted underwriting forms to an insurer that were not properly completed and contained fraudulent information.

Disposition: Fined \$5,000.

Case: An investigation of a life and variable annuity agent alleged that he failed to fully explain the terms and conditions of annuity products to a senior consumer.

Disposition: Fined \$2,500.

Case: An application for an insurance agency license initially warranted denial based upon the applicant's failure to timely obtain licensure and the unlicensed sale of insurance.

Disposition: Fined \$2,500 and application granted.

Case: An application for an insurance agency license initially warranted denial based upon the applicant's prior disciplinary actions by FINRA, which the applicant was fined in each. All fines were paid.

Disposition: Application granted and placed on probation for two years.

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Enforcement Actions

- December 2011

Some of the following disciplinary actions were resolved through a settlement process resulting in an order for discipline. Notification of disciplinary actions is in the public interest. While every effort is made to provide correct information, our readers are cautioned to check with the department before making a decision based upon this listing. This listing does not reflect pending appeals or requests for hearings.

Copies of disciplinary actions can be located by searching the [Division of Legal Services' database](#). For further information, you may make a public records request via [e-mail](#).

Warning: No part of this listing may be used by a licensee to gain an unfair competitive advantage over any person named herein. Any licensee who does do so is in violation of Section 626.9541(1)(c), Florida Statutes.

LAST/BUSINESS NAME	FIRST NAME	LICENSE NUMBER	LICENSE TYPE	DISPOSITION	FINE	RESTITUTION	CITY, STATE	DOCUMENT
Akin	Kathaleen	D044231	Title	License Revoked			Sarasota, FL	Consent Order
Alexson	Robert	P228528	Bail Bond	Fined	\$250		Bushnell, FL	
Batista	Janice	P043694	General Lines, Life, Health, Variable Annuity	Probation and Fined	\$7,500		Miami, FL	Consent Order
Charlebois	Donald	P080934	General Lines	License Revoked			Dover, FL	Consent Order
Cruz-Santiago	Medellin	A058718	Bail Bond	Fined	\$1,000		Lake Worth, FL	
Dale	Shataz	P155067	Bail Bond	Fined	\$350		Oakland Park, FL	
Decker	Julie	A064335	Life, Health, Variable Annuity	Fined	\$1,750		Palm Bay, FL	Consent Order
Duran	Doreen	A073852	General Lines, Life, Health, Variable Annuity	License Suspended 3 Months			Miami, FL	Consent Order
Enterprise Title Partners LTD		E148996	Title	License Suspended 3 Months			Clearwater, FL	Order of Suspension
Flaum	Michael	A085656	Life, Health, Variable Annuity	Probation and Fined	\$1,000	\$789.45	Boca Raton, FL	Consent Order
Furlow	Angela	D025121	Bail Bond	Probation and Fined	\$3,000		Arcadia, FL	Consent Order
Gonzalez-Aguiar	Gladys	P004602	Title	License Revoked			Miami, FL	Consent Order
Hernandez	Maria	A117403	General Lines, Health	License Suspended 3 Months and	\$1,000		Miami, FL	Consent Order

				Fined				
Hrad	Michael	E084034	Life, Health, Variable Annuity	Probation and Fine	\$1,000	\$1,243.14	Ft. Myers, FL	Consent Order
Humphrey	Joyce	A125832	General Lines	License Surrender		\$2,590.65	Belle Glade, FL	Consent Order
Larocco	Paul	A149920	Life, Health, Variable Annuity	Probation and Fined	\$5,000		Ocala, FL	Consent Order
Mack	Paul	A161629	General Lines	Fined	\$7,500		Deerfield Beach, FL	Consent Order
Mack Mack and Waltz Insurance Group Inc		L000370	Agency	Fined	\$7,500		Deerfield Beach, FL	Consent Order
Martin	Brenda	E014585	General Lines, Life, Health, Variable Annuity	License Revoked			St. Augustine, FL	Consent Order
Martin	Gary	D048839	Life, Health, Variable Annuity	License Revoked			St Augustine, FL	Consent Order
Meyers	Justin	D055256	General Lines	Fined	\$1,000		Lakeland, FL	Consent Order
Parker	Janice	A200437	Title	License Revoked			Harvey, LA	Consent Order
Rivera	Tanya	P173110	Public Adjuster	Fined	\$500		Spring Hill, FL	Consent Order
Rodriguez	Yuray	A224102	Health	Probation and Fined	\$2,500		Miami, FL	Final Order
Rowland	Barry	A227342	General Lines, Surplus Lines	License Suspended 9 Months		\$81,045.49	St. Petersburg, FL	Order of Suspension
Sakr	Natalie	No License		Cease and Desist - Permanent Bar			Tampa, FL	
Sewell	Elisabeth	E127723	General Lines, Life, Health, Variable Annuity	License Suspended 1 Years			Ft. Myers, FL	Consent Order
Shan	Arnold	A239335	Life, Health, Variable Annuity	License Suspended 1 Years			Boca Raton, FL	Order of Suspension
Smith	Dale	E056276	Public Adjuster	License Suspended 3 Months			Apopka, FL	Order of Suspension
Thomas	Darrel	E071111	Life, Health, Variable Annuity	License Suspended 4 Months and Fined	\$500		Winter Haven, FL	Consent Order
Wells Fargo Insurance Services Southeast		L044411	Agency	Fined	\$15,000		Boca Raton, FL	Consent Order
Widdicombe	Richard	A284034	Managing General Agent	License Surrendered			Coral Springs, FL	Consent Order

Contact Us

- We're always here for you

Bureau of Licensing

AgentLicensing@MyFloridaCFO.com - For general inquiries about licensing

Education@MyFloridaCFO.com - For education-related questions (prelicensing, continuing education, providers, etc.)

[MyProfile](#) - Check your up-to-the-minute application status, education information, and more

*200 East Gaines Street
Larson Building, Room 419
Tallahassee, FL 32399-0319*

Bureau of Investigation

Title@MyFloridaCFO.com - For title insurance matters

BailBond@MyFloridaCFO.com - For bail bond matters

askDFS@MyFloridaCFO.com - For all other matters not related to licensing or education

*200 East Gaines Street
Larson Building, Room 412
Tallahassee, FL 32399-0320*

We welcome suggestions and inquiries concerning *The Pulse*. Please direct them to [Matthew Guy](#).

The Pulse Editor/Publisher

[Matthew Guy](#)

*200 East Gaines Street
Larson Building, Room 416
Tallahassee, FL 32399-0318*

Licensees are reminded to update any change in their name, addresses (including email) or phone numbers by logging in to their [MyProfile](#) account. If you also have an agency license, don't forget to log in to your agency's MyProfile account and update it as well.