



THE TREASURER OF THE STATE OF FLORIDA
DEPARTMENT OF INSURANCE

TOM GALLAGHER

July 11, 2001

NOTICE TO AGENTS AND BROKERS
FORTUNE INSURANCE COMPANY

This is to advise you that FORTUNE INSURANCE COMPANY was placed in liquidation on July 6, 2001, by the Circuit Court of Leon County, Florida. The liquidation order provides in part:

Pursuant to the provisions of *Section 631.252, Florida Statutes*, except for flood insurance, all policies of insurance or similar contracts of coverage of FORTUNE INSURANCE COMPANY issued in Florida and now in force shall continue in force until 30 days from the date of the entry of the Order of Liquidation and shall be determined canceled as of 11:59 p.m. August 5, 2001, except that policies or contracts of coverage with normal expiration dates prior to the dates otherwise applicable under this paragraph, or which are terminated by insureds or lawfully canceled by the Receiver or insurer before such date, shall stand canceled as of the earlier date.

The records of the company indicate that you were an agent or broker of the company. *Section 631.341, Florida Statutes*, requires that you, as agent, perform certain duties, including providing written notice to each policyholder whose policy has not been replaced or reinsured in a solvent authorized insurer. A copy of this Section of the Statutes is enclosed for your review.

The Order of Liquidation also provides on Page 5, Paragraph 18:

All agents, brokers or other persons having sold policies of insurance and/or collected premiums on behalf of Respondent (FORTUNE INSURANCE COMPANY) shall account for and pay all premiums and commissions unearned due to cancellation of policies owed to Respondent (FORTUNE INSURANCE COMPANY) directly to the Receiver within 30 days of demand by the Receiver or appear before this Court to show good cause, if any they may have, as to why they should not be required to account to the Receiver or be held in contempt of Court for violation of the provisions of the Order. No agent, broker, or other person shall use premium monies owed to the Respondent (FORTUNE INSURANCE COMPANY) for refund of unearned premium or for any purpose other than payment to the Receiver.

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Any and all payments and inquiries on your account current should be mailed to the Receiver at:

Receiver of FORTUNE INSURANCE COMPANY
Post Office Box 0817
Miami, FL 33152-0817
(305) 499-2263

If you or any of your insureds should have any new claims against the company, please report the claims to the Receiver following the company's normal reporting procedure. The Receiver will soon begin sending Proof of Claim forms to all policyholders and claimants on record.

FLORIDA DEPARTMENT OF INSURANCE
RECEIVER OF FORTUNE INSURANCE COMPANY
POST OFFICE BOX 110
TALLAHASSEE, FLORIDA 32302-0110
TELEPHONE NO.: (800) 882-3054
www.fldoi-receiver.com

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; s. 4, ch. 91-429.