



THE TREASURER OF THE STATE OF FLORIDA
DEPARTMENT OF INSURANCE

BILL NELSON

September 26, 1997

NOTICE TO AGENTS AND BROKERS
UNITED SOUTHERN ASSURANCE COMPANY

This is to advise you that United Southern Assurance Company was placed in liquidation on September 18, 1997 by the Circuit Court of Leon County, Florida. The *Amended Consent Order Appointing the Florida Department of Insurance as Receiver for Purposes of Liquidation, Injunction, and Notice of Automatic Stay* provides in part:

Pursuant to the provisions of Section 631.252, Florida Statutes, all insurance policies or similar contracts of coverage of United Southern Assurance Company, issued anywhere 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., October 18, 1997, except that policies or contracts of coverage with normal expiration dates prior thereto and policies terminated by the insured or lawfully canceled by the insurer before such date, will stand canceled as of such earlier date.

The records of the company indicate that you were an agent of the company or a broker who did business with the company. Section 631.341, Florida Statutes, requires that you 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 *Amended Consent Order Appointing the Florida Department of Insurance as Receiver for Purposes of Liquidation, Injunction, and Notice of Automatic Stay* also provides on Page 6, Paragraph 25:

All agents, brokers or other persons having sold policies of insurance and/or collected premiums on behalf of the Respondent (United Southern Assurance Company) shall account for and pay all premiums owed to the Respondent and commissions rendered unearned due to cancellation of policies by this Order, or in the normal course of business, directly to the Receiver within 30 days of demand by the Receiver or appear before this Court to show 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 this Order.

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United Southern Assurance Company
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No agent, broker, premium finance company or other person shall use premium monies owed to the Respondent (United Southern Assurance Company) for refund of unearned premium or for any purpose other than payment to the Receiver.

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

Receiver of United Southern Assurance Company
Post Office Box 110
Tallahassee, FL 32302

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

Receiver of United Southern Assurance 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 UNITED SOUTHERN
ASSURANCE COMPANY
POST OFFICE BOX 110
TALLAHASSEE, FLORIDA 32302
TELEPHONE NO.: (904) 922-3179

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.