

**IN THE CIRCUIT COURT OF THE SECOND JUDICIAL CIRCUIT,  
IN AND FOR LEON COUNTY, FLORIDA**

In Re: Receivership of  
FedNat Insurance Company

Case No.: 2022-CA-001688

**ORDER APPROVING EXTENSION OF FIGA STAY**

**THIS MATTER** was considered upon a Motion by the Florida Department of Financial Services, Division of Rehabilitation and Liquidation (The “Department”), as Receiver of FedNat Insurance Company (“FedNat”) for approval of an extension of the six month stay under Section 631.67 as to the Florida Insurance Guaranty Association [“FIGA”] for a period of four (4) months. The Court, having reviewed the Motion and being otherwise fully informed in the premises, finds the following:

1. The Department was appointed as the Receiver of FedNat by this Court on September 27, 2022.
2. The Liquidation Order automatically triggered the Florida Insurance Guaranty Association [FIGA] to review, adjust and pay the “covered claims” of FedNat policyholders.
3. Pursuant to paragraph 23N of the Liquidation Order, the Department is to cooperate with the various guaranty associations, including FIGA, in the receivership process, including the transfer of the data necessary for all parties to carry out their statutory duties.
4. Unlike the insolvent insurer who is afforded a permanent stay pursuant to Section 631.041, there is only a six month stay granted to FIGA to review, adjust, pay or defend claims of an insolvent insurance company. Fla. Stat. 631.67.
5. FIGA’s six month stay as to FedNat expires on or about March 27, 2023.

6. In calendar year 2022 a number of property and casualty companies, including FedNat, were liquidated, placed into receivership pursuant to Chapter 631, Part I, Florida Statutes, thus triggering FIGA.

7. Due to the number of policy systems that FedNat used pre-receivership, the Department has had substantial difficulties transferring all the electronic claim data to FIGA so that it may review, adjust and potentially defend FedNat claims, in addition to all of the other claim data related to the other companies that were placed into receivership in 2022.

8. As a result, there is at least one claims system containing the data for complex third party litigated claims that is still in the process of being retrieved and transmitted to FIGA.

9. For that reason, FIGA will not have the necessary claim data in sufficient time to review, analyze and prepare to defend such cases by March 27, 2023.

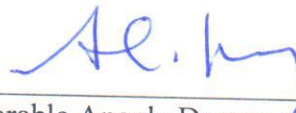
10. FIGA's temporary stay of six months may be extended by a court of competent jurisdiction. Fla. Stat. 631.67.

11. Under the circumstances, it is reasonable for this court to enter an order extending the temporary FIGA stay for a period of four (4) months so that FIGA may obtain the claim data from the Department, analyze same, and settle or prepare a defense of any pending litigation involving those claims.

WHEREFORE, it is **ORDERED** and **ADJUDGED** that the Department's Motion to Extend the FIGA stay is **GRANTED**.

It is further **ORDERED** and **ADJUDGED** that FIGA's stay will remain in effect until July 27, 2023.

**DONE** and **ORDERED** in Chambers at the Leon County Courthouse, Tallahassee, Leon County, Florida, this 9 day of March, 2023.



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Honorable Angela Dempsey  
Circuit Court Judge