

Florida's Infrastructure

Dear Friends,

Infrastructure matters. It's a term that can mean many things to different people, but at its core, the term represents the framework on which we build our cities, our neighborhoods, and our daily lives. Bridges and roadways most commonly come to mind, but infrastructure encompasses much more than transportation needs. It's having an appropriately-sized power grid to manage the needs of the people, it's access to clean water, and it's having grocery stores full of fresh foods nearby so that we can feed our families.

As Florida continues to grow, so will the need for updating and expanding our infrastructure. With more than 20 million residents and in excess of two million businesses, we will need new ideas, new investments, and new technology to bridge the gap between today and tomorrow. I'm proud to say that Florida is succeeding at putting these critical systems in place for the future.

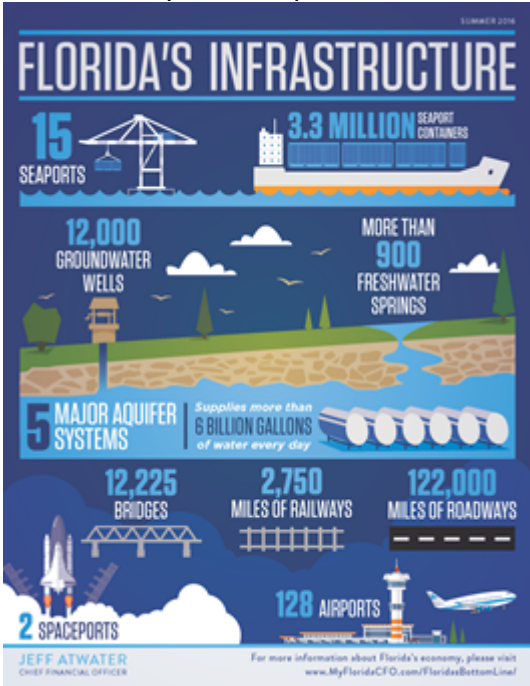
Each quarter, I publish an economic magazine called [Florida's Bottom Line](#) that examines the impact of current topics like international trade, decreasing unemployment rates, and changes in the housing market. This quarter, we're focusing on how Florida can build for the future. Not only do our in-house economists analyze the issue, but we also gather the experts in the field, who evaluate the issue in their own words and from their unique perspectives.

In this edition, Florida Transportation Builders' Association President Bob Burleson outlines where we are now and where we'll need to be with our transportation systems, and Florida Ports Council President Doug Wheeler who explains how Florida's ports can bolster the transfer of goods across our waterways.

Space Florida President Frank DiBello illuminates the future of Florida's space frontier, and Federal Reserve Bank Vice President Chris Oakley reminds us that we would be remiss to forget evolving financial systems in our plans for the future. On the topic of financial systems, Florida PALM Project Director Melissa Turner lays out

VERIFY
BEFORE
YOU SELL

Agents should **routinely** verify the licensure of the companies for which they're selling. If you suspect an entity is not authorized or licensed to transact insurance in Florida, from Florida or with residents of Florida, please notify our office. Report suspected unlicensed activity. Call 877-MY-FL-CFO (1-877-693-5236).
[Read more >>](#)



how the State of Florida is working to build a new accounting system that can better meet the payment needs of our multi-billion-dollar budget.

Former Speaker of the Florida House Steve Crisafulli describes that we must look no further than our fellow states to see how a lack of fresh water can stop economic growth in its tracks, and the Vice Chair of the Florida Council on Public Private Partnerships Randall Reid explains how the private market can--and already does--work in partnership with local, state, and the federal government to achieve these shared goals in a cost effective manner.

As can you see, growth is good but it must come with great thought. I invite you to read this latest edition to better understand the impact that infrastructure has--and will continue to have--on Florida's economy. I'm proud of what our state has done to foster this vital framework, and how we are working to prepare for a bigger, better, brighter tomorrow.

Click [here](#) to read the latest (and past) editions.

Sincerely,



Jeff Atwater
Chief Financial Officer
State of Florida



[Download-PDF](#)

News You Can Use

- Updating you on what's going on

CFO Jeff Atwater: Complete Storm Preparations Today

As Tropical Depression Nine strengthens and continues on its path toward Florida's coast, Chief Financial Officer Jeff Atwater encourages Floridians to prepare for its arrival. Residents should stock up on storm supplies such as bottled water and batteries and gather all important insurance and financial documents. With current concerns about the spread of the Zika virus, Floridians are also encouraged to have mosquito repellent on hand due to the increased likelihood of standing water as a result of the storm.

"This storm is expected to strengthen throughout the day and Floridians should take notice and take steps to prepare," said CFO Atwater. "Whether you're new to Florida or a lifetime resident, we have tools available to help make sure all Florida families are ready."

Experts anticipate that the storm will strengthen into a named tropical storm (Tropical Storm Hermine) before landfall on Thursday. In advance of the storm's arrival, Governor Rick Scott has declared a state of emergency in 42 of Florida's 67 counties. The National Hurricane Center has issued a hurricane watch from the Anclote River near Tampa to Indian Pass in the Panhandle. A wider-ranging area from Walton County to the Anclote River is currently under a tropical storm warning.

CFO Atwater encourages residents to review their homeowners', renters', or property insurance policy to ensure an understanding of the available coverage. Consumers can consult the Department's [Emergency Financial Preparedness Guide](#) for more information and consumers with questions regarding their insurance policies can call the Department's Insurance Consumer Helpline at 1-877-693-5236.

Additionally, CFO Atwater recommends the following preparatory steps:

- As the storm moves closer, protect your property. Buy the materials you need to secure your property and minimize your losses. Cover your windows with shutters, siding, or plywood. Move vehicles into a garage or carport when possible. Grills and/or patio furniture should be moved inside as well.
- Inventory your household items, including receipts, purchase dates, and serial numbers. Photograph or videotape your possessions. Keep copies of this information and your insurance policies in a safe place and keep the originals in a safe deposit box.
- Write down the name, address, and claims-reporting telephone number of your insurance company, which may differ from your agent's contact information. Keep this information in a safe place and make sure you have access to it if you are forced to evacuate your home.

In the event of storm-related damage, photograph damaged areas and notify your insurance company immediately. Document all repair-related conversations and keep track of all paperwork.

Hurricane season ends November 30. For additional hurricane preparation tips, visit the Department of Financial Services' website at MyFloridaCFO.com/Consumers/Storm.

[Click here to continue reading the press release>>](#)

Former Miami Insurance Agent Sentenced to Prison for Generating Fake Insurance Policies

The Florida Department of Financial Services' Division of Investigative and Forensic Services (DIFS) announced the recent conviction of Mandy Rodriguez, 36, on multiple felony charges including insurance fraud, grand theft, and forgery following his attempt to create fake proof of insurance documents for his clients. He was sentenced to two years in state prison and ordered to pay more than \$200,000 in restitution.

Rodriguez's arrest resulted from a case worked by the Department's Division of Insurance Agent and Agency Services' Bureau of Investigation and the Division of Investigative and Forensic Services, which revealed that Rodriguez, an insurance agent, defrauded at least four clients by stealing their insurance premium payments and issuing them fake insurance policy documents.

[Click here to continue reading the press release>>](#)

Miami Businessman Arrested for Orchestrating \$400,000 Workers' Comp Scam

Chief Financial Officer Jeff Atwater and the Department of Financial Services' Division of Investigative and Forensic Services (DIFS) announced the recent arrest of Elso J. Macias, owner of Puertos Enterprises Inc. in Miami. Macias allegedly orchestrated a fraud scheme by providing false and misleading information during his application for workers' compensation insurance and by grossly underreporting the company's total payroll amount. As a result, Macias illegally avoided more than \$400,000 in workers' compensation insurance premiums, leaving his employees at risk of covering health and lost wage costs associated with on-the-job injuries.

[Click here to continue reading the press release>>](#)

Fort Lauderdale Woman Caught On Camera Faking Injury

The Department of Financial Services' Division of Investigative and Forensic Services (DIFS) announced the recent arrest of Sheyla Veronica White following her attempt to fraudulently collect workers' compensation payments following an alleged on-the-job injury. White claimed that a sprinkler head fell from the ceiling, bounced off her desk, and struck her in the head. Her employer, Cinque Terre Energy Partners, LLC promptly filed a compensation claim related to the alleged injury. Video surveillance footage later proved a different series of events surrounding the alleged injury.

[Click here to continue reading the press release>>](#)

Jacksonville PIP Scheme Responsible for \$45,000 in Financial Loss

The Department of Financial Services, Division of Insurance Fraud (DIF) announced the recent arrests of Christian Ponce, Nelson Vargas Mercado, Luz Rosario-Escudero and a Jacksonville Blue Cross Blue Shield employee, Janelle Denise Lundy, for their alleged involvement in a personal injury protection (PIP) scheme that defrauded numerous insurance companies for a combined total of at least \$45,000. Two participants, Damaris Garcia Sanchez and Jacqueline Santiago, still remain at large.

[Click here to continue reading the press release>>](#)

Florida CFO Jeff Atwater Announces Nomination of FACTS for NASCIO Award

Chief Financial Officer Jeff Atwater announced that the Department of Financial Services' (DFS) Florida Accountability Contract Tracking System (FACTS) has been nominated by the National Association of State Chief Information Officers (NASCIO) as a finalist in the Open Government and Data, Information and Knowledge Management category for the 2016 NASCIO State IT Recognition Awards. Award winners will be announced Monday, September 19 during the NASCIO Annual Conference in Orlando.

[Click here to continue reading the press release>>](#)

Florida Signs Four More Life Claim Settlement Agreements

The Florida Office of Insurance Regulation (Office), Florida Department of Financial Services (DFS), and the Florida Office of the Attorney General (AG) announced national life claim settlement agreements have been signed with four life insurance companies totaling more than \$3.4 million: [Hartford Fire & Casualty Group](#) for \$2.1 million, [Securian](#) for \$625,000 [Great American](#) for \$400,000, and [Standard](#) for \$277,000.

The settlement agreements focus on the one-sided use of the Social Security Administration's Death Master File (DMF) to stop paying a deceased person's annuity, but not using the same information to find and begin paying the deceased's family or other beneficiaries for life insurance policies. These multi-state examinations were conducted by the lead states of Florida (managing lead state for Hartford & Great American), California (managing lead state for Standard), New Hampshire, North Dakota (managing lead state for Securian), and Pennsylvania (collectively known as the "Lead States").

[Click here to continue reading the press release>>](#)

Consumer Alert: Unauthorized Use of Agency Branding

The Florida Office of Financial Regulation (OFR) was made aware of a scam involving the unauthorized use of the agency's website banner and logo. Consumers report receiving phone calls from this scammer who followed up with an email, asking them to contact the fraudster for information about an insurance certificate issued in their name. The OFR urges Floridians to look out for this scam.

The attached email states that an insurance certificate has been issued in the email recipient's name. The scammer urges the recipient to print the certificate, sign it and return it to receive the amount of money stated

on the certificate. The scammer urges the email recipient to respond immediately. The notice contains OFR website snapshots and branding, which were used without the agency's knowledge or authorization.

Imposter scams – scammers impersonating someone else to commit fraud – were the third-most common complaint in 2015, according to the Federal Trade Commission. Scammers often create fraudulent documents that look legitimate and may use the names of established, well-known organizations, including government agencies, to trick unsuspecting victims. This is the second scam involving OFR branding that has been reported to the agency in 2016. For more information, check out the consumer alert on another recent scam involving stolen OFR branding.

[Click here to continue reading the press release>>](#)

Sarasota Man Sentenced for Role in Fake Investment Scam

The Florida Office of Financial Regulation (OFR) applauds the sentencing of Russell Haraburda to eight years in prison, followed by 22 years of probation. Haraburda pled guilty to organized fraud for his role with the sale of fraudulent pre-initial public offering shares of his company, EnviraTrends.

[Click here to continue reading the press release>>](#)

Make Sure You Don't Miss Important Information From Us

We highly recommend that licensees routinely check their [MyProfile](#) account(s) for messages from the Department. We send an email notification at the same time to remind you to check your [MyProfile](#) account but on rare occasions you may not receive that email. For that reason, we suggest you add our domains **dfs.state.fl.us** and **MyFloridaCFO.com** to your email software's Trusted or Safe Senders List to ensure you are able to receive email notifications from us. Licensees who have a valid email address on file with the Department, as required by law, are sent important email notifications when something that affects their application, license, continuing education, or appointment(s) occurs. Additionally, we will 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. You are still required to abide by the Florida Insurance Code regardless of whether you read the information we provide or attempt to provide.

In The Know

- Keeping you informed is what it's all about



The [National Hurricane Center](#) recently adjusted its original forecast and anticipates a more active period for the remainder of this year's Hurricane Season. We've reprinted two articles as a reminder to **be prepared**.

State of Emergency Claims - Special Requirements Upon Governor's Declaration

For claims that are based on events that are the subject of a declaration of a state of emergency by the Governor, and during the year after the declaration of emergency:

- A public adjuster may not charge, agree to, or accept from any source compensation, payment, commission, fee, or any other thing of value in excess of ten percent (10%) of the amount of insurance claim payments made by the insurer for claims for one year after the declaration of emergency is issued.
- The insured or claimant has 5 business days after the date on which the contract is executed to cancel a public adjuster's contract.

The following are excerpts of the standards of conduct that define ethical behavior, and are included in the code of ethics:

- The work of adjusting insurance claims engages the public trust. An adjuster shall put the duty for fair and honest treatment of the claimant above the adjuster's own interests in every instance.
- An adjuster shall not attempt to negotiate with or obtain any statement from a claimant or witness at a time that the claimant or witness is, or would reasonably be expected to be, in shock or serious mental or emotional distress as a result of physical, mental, or emotional trauma associated with a loss.
- An adjuster shall not directly or indirectly refer or steer any claimant needing repairs or other services in connection with a loss to any person with whom the adjuster has an undisclosed financial interest.
- A public adjuster shall not prevent, or attempt to dissuade or prevent, an insured or claimant from speaking privately with the insurer, company employee adjuster, independent adjuster, attorney, or any other person, regarding the settlement of the claim.

- A public adjuster shall not enter into a contract or accept a power of attorney which vests in the public adjuster the effective authority to choose the persons who shall perform repair work.

Please refer to [Section 69B-220.201](#), Florida Administrative Code for the full Adjuster Code of Ethics.

Public Adjusters - Are You Ready For Hurricane Season?

The time to be sure your license is in compliance is now - not when a storm is heading our way! This is a short checklist to ensure your license is in good standing:

- Is your license active?
- Are you self-appointed or appointed by an adjusting firm?
- Do you have the required \$50,000 surety bond?
- Are you compliant with your continuing education requirements?
- Has a primary adjuster been designated for your firm?
- Is all contact information up-to-date? You can update it at [MyProfile](#).
- Are any apprentices licensed and appointed?
- Do you have your Department issued license with you?

Notice of Development of Rulemaking - Neutral Evaluators

The Florida Department of Financial Services, Division of Insurance Agent & Agency Services, hereby provides Notice of Development of Rulemaking to Chapter 69B-251, Florida Administrative Code. This notice has been filed with the Florida Department of State and was officially published in the Florida Administrative Register on August 26, 2016.

The purpose of the intended rulemaking is to establish the qualifications for obtaining certification as a neutral evaluator, the grounds for denial of applications, and the grounds for the suspension or revocation of the certification of a neutral evaluator.

Pursuant to subsection 627.7074(1), F.S., the Department certifies the neutral evaluators used in neutral evaluations for sinkhole insurance claims. Subsection 627.7074(18), F.S., was amended to require the Department to adopt rules for obtaining certification, denying certification of, suspending certification of, and revoking the certification of a neutral evaluator. Paragraph 627.706(7)(b), F.S., sets forth the grounds for the denial of an application and for the suspension or revocation of the certification of a neutral evaluator.

A rule development workshop has been scheduled on September 13, 2016, at 10:00 a.m. Eastern in Tallahassee, Florida.

You may access the full text of the notice via the following link:
https://www.flrules.org/gateway/View_Notice.asp?id=17933862.

Agency and Firm Owners: Check Your Hires' Backgrounds

Agency and firm owners have an obligation to check the backgrounds of individuals they hire for administrative action history with the Department and for criminal history. Employing an individual with a suspended or revoked license can lead to action against your own license and possibly criminal charges.

Florida law states that during the period of suspension or revocation of a license or appointment, and until the license is reinstated or, if revoked, a new license issued, the former licensee or appointee may **not** engage in or attempt or profess to engage in any transaction or business for which a license or appointment is required. Additionally, they may **not** directly or indirectly own, control, or be **employed** in any manner by an agent, agency, adjuster, or adjusting firm.

It is also important to know the criminal background of individuals employed in your agency. Some licensees, such as bail bond agents, are prohibited from allowing convicted individuals in their agencies. A person who has been convicted of or who has pleaded guilty or no contest to a felony or a crime involving moral turpitude or a crime punishable by imprisonment of 1 year or more regardless of whether adjudication of guilt was withheld, may not act in any capacity for a bail bond agency or participate as a director, officer, manager, agent, contractor, or employee of any bail bond agency or office. Any person who permits a person who has been convicted to do so can be charged with a third degree felony.

[See [626.342](#), [626.621](#), [626.641](#), [648.387](#), [648.44](#), and [648.441](#), Florida Statutes]

The 2015 Florida Statutes Now Available Online

The most current Florida Statutes can now be viewed at [Online Sunshine - Title XXXVII Insurance](#).

Education Central

- Things to know about your continuing education

Are You Compliant with Your CE or Not?

To be CE compliant requires more than just taking CE courses. Below are a few suggestions for remaining CE compliant:

- **CE requirements change.** You should regularly review your CE status through your [MyProfile](#) account. Your total hours have specific allocation requirements that must be met. Be sure to take all the right categories of CE courses.
- **Check for late hours.** Hours taken after your due date will still post on your compliance evaluation screen, but they will be noted as "Late". Though your hours requirement may have been met, late completion of your continuing education requirement will result in penalties.
- **Check prior evaluation periods.** Always check previous compliance periods to make sure you are not delinquent for a prior period. Be sure to click on **VIEW ENFORCEMENT NOTICE** just below the **Not Compliant** text to check for any outstanding fines.
- **Check your transcript.** The **same course** cannot be taken with the **same provider** within a three-year period and receive credit. This is noted on your transcript as a duplicate course. You will need to take a different course to meet your CE requirement.

We wish you success in completing your hours to remain knowledgeable in an ever-changing insurance market. And remember, your CE compliance date is your **DUE** date, not your **DO** date.

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. You will also be able to find more approved CE courses after logging in to your [MyProfile](#) account versus the [public search option](#), which limits the results to the first 100 course offerings.

Compliance Corner

This section has been created to assist you in keeping your insurance business in compliance. The items are intended as reminders only. Note: Division publications may include references to the [Florida Statutes](#) and/or the [Florida Administrative Code](#). The laws noted in our publications are/were in effect at the time of publication but may have been repealed, amended or replaced and new laws may have been enacted subsequently.

Compliance Topic of the Month ~ Continuation of Your License

The Department occasionally receives calls and emails from customers whose license or licenses have expired. A Florida insurance **license** authorizes the licensee to be appointed to transact insurance or adjust claims for the classes of insurance identified on the license. An **appointment** with an insurer or employer authorizes a licensee to transact insurance or adjust claims on behalf of the appointing entity. **Without an appointment, a licensee cannot lawfully transact the business of insurance. Licensed insurance representatives should not assume that they are eligible to begin selling insurance, adjusting losses, etc., until they have been properly appointed. Both licensure and appointment are required.**

To preserve your current license status you must be appointed for each class of insurance listed on your license within 48 months after the date you were licensed. When the last appointment for a particular class or classes of insurance has terminated, you have 48 months in which to secure another appointment before eligibility in that class or classes of insurance expires. Failure to maintain at least one active appointment will result in the expiration of your license (after the 48-month period has elapsed). To obtain your license again, you may have to requalify as a first-time applicant.

Even though the function of submitting an appointment request with the Department rests with the insurance company or other appointing entity, licensees should assume responsibility for ensuring that their appointments are maintained.

Appointments and Insurance Transactions

A licensee may not transact insurance or adjust claims until he or she is appointed by an insurer, adjusting firm, general lines agent or the licensee (in the case of a self-appointed licensee), in accordance with the class(es) of licensure held. For instance, if an individual is licensed in the classes of life, including variable annuity and health, and wishes to market all three types of products, he or she must be appointed by either an insurance company authorized under its Certificate of Authority to transact all three of these lines of business or by separate companies for each line. For example, if Company ABC appoints an agent to sell only life insurance, then the agent will still be required to obtain an additional appointment(s) with an appropriate company(s) for the variable annuity and health portion of his or her license, if the agent intends to market these products.

Who can appoint licensees?

1. Insurance companies appoint agents and insurance company employee adjusters.
2. Licensed and appointed General Lines (Property & Casualty) insurance agents appoint customer representatives, crop hail and multiple-peril crop insurance agents.
3. Adjusting firms appoint independent and public adjusters.
4. Surplus lines agents, reinsurance intermediaries, professional bail bond agents and self-employed independent or public adjusters are responsible for appointing themselves.
5. Agents who choose to be classified as an "unaffiliated agent" **must be self-appointed**, and are not eligible for appointment by an insurer or any other licensed entity. [See s. [626.015\(18\)](#), F.S.]

To verify your license and appointment status, you can log in to your [MyProfile](#) account or use our [public licensee search](#)

Temporary Bail Bond Agents - Employment Reports - Who is Responsible?

One of the requirements for temporary bail bond agents is the monthly submission of a "Temporary Bail Bond Agent Employment Report". The form must be received by the Department no later than the last day of the month following the month being reported on the form. [see Chapter [69B-221.051\(4\)\(c\)](#) . F.A.C. and s.[648.355\(1\)\(e\)](#), F.S.]

Recently, a few temporary bail bond agents have contacted the Department to complain that their supervising bail bond agent has failed to submit the required forms, either at all, or in a timely fashion. The Department has authority to take action against a supervising bail bond agent who fails to comply with [69B-221.051\(4\)\(c\)](#), F.A.C.; however, it is also the responsibility of the temporary bail bond agent to ensure this requirement is met on a timely basis. Failure to do so could result in the loss of employment hours towards the required hours to qualify for a 2-34 Limited Surety (Bail) Bond agent license. We strongly encourage all temporary bail bond agents to maintain a copy of every employment report completed by their supervising bail bond agent should a discrepancy arise.

Life Insurance Agent as Beneficiary - Prohibited

Life insurance agents cannot be named as a beneficiary on a life insurance policy sold to a person who is not a family member unless clear insurable interest in the life of the insured can be proven.

To declare an insurable interest, there must exist an actual, lawful and substantial economic interest in the safety and preservation of the life of the insured or a reasonable expectation of benefit or advantage from the continued life of the insured.

"Not a family member," means an individual who is not related to you, the life agent, as father, mother, son, daughter, brother, sister, grandfather, grandmother, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother or half sister.

An agent may be named as a trustee; however, the agent or a family member of such agent may not be designated as a trustee or guardian or be granted power of attorney unless he or she is a family member of the policy owner or insured, or is a bank or trust company duly authorized to act as a fiduciary. [See s. [626.798](#), F.S.]

Criminal History Reporting Requirements to the Department

Applicants are required to report on their application for a license all prior criminal history. In addition, once licensed they are required to report to the Department within 30 days of being found guilty or pleading guilty or nolo contendere (no contest) to any felony, or other crime punishable by one or more years in prison (even if a misdemeanor), or any violation of the state insurance laws, regardless of adjudication by the court. It is still required even if civil rights have been restored or an appeal is pending.

Appointing entities are also required by law to advise the Department within 15 days after they or their general agent, officer, or other official becomes aware that an appointee has pleaded guilty or nolo contendere to or has been found guilty of a felony after being appointed. If the appointee is a bail bond agent, the appointing entity is required to report it within 5 days.

[See s.[626.451](#) and s.[648.382\(4\)](#), Florida Statutes]

Representations in Applications for an Insurance Policy

The Department has seen a rise in claims denied by carriers due to misrepresentations made in the application for insurance. Many times these representations were due to the agent or customer representative not diligently reviewing all the questions on the application with their customer. These could also be simple mistakes caused when the agent or representative does not properly ask a customer about a prior DUI, bankruptcy, or claim. You must remember to never assume anything, even if the customer is well known to you, such as a close friend or family member.

When a claim is denied, it can be especially detrimental to your customer. Depending on the circumstances, it could also result in an E&O claim for you.

Please remember your responsibilities to your customers and be sure they understand the importance of answering **all** insurance application questions completely, accurately, and truthfully. Be sure to ask each question on every application every time, and never assume anything. [See s.[627.409](#), Florida Statutes]

Retention for Agent, Adjuster, and Agency Records

Section [626.748](#), Florida Statutes, requires agents to keep records of policies transacted. These records include daily reports, applications, change endorsements, or documents signed or initialed by the insured concerning the policies. The records must be available to policyholders and the Department upon request. The records must be maintained in the agent's office or be readily accessible by electronic or photographic means for at least five years after policy expiration.

Every licensee is also required to preserve books, accounts, and records relating to a premium payment for at least three years after payment, per section [626.561](#), F.S. The law allows a licensee to maintain premium payment records by electronic or photographic means, as long as they are readily accessible in the licensee's office.

Section [626.875](#), F.S., states that the records of an adjuster relating to a particular claim or loss shall be retained in the adjuster's place of business for not less than three years after the adjustment is completed.

Public adjusters have an additional, specific requirement as to their written estimate for an insured/claimant. Subsection [626.854\(12\)](#), F.S., states that public adjusters shall retain such written estimate for at least five years

and shall make the estimate available to the claimant or insured, the insurer, and the Department upon request.

It's always a good idea to maintain a backup copy of all required records in the event that a hurricane or other disaster damages the business, or restricts your ability to access your records. That way, you will be able to access policyholders' records and be able to provide assistance to them.

Compliance Information

Department licensees and consumers can access compliance information at the Division's web page [Compliance Information](#). Additional information is available by type of license at our [Frequently Asked Questions](#) web page.

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INSURANCE *Insights*

DIVISION OF AGENT AND AGENCY SERVICES

Volume 5, No. 8 - August 2016

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: A case was opened based on an anonymous tip from the Division of Investigative and Forensic Services alleging a general lines agent was issuing fraudulent Certificates of Insurance (COI). An agency inspection was performed and several files were randomly selected and reviewed. The investigator contacted the insurance companies named in the COIs, which confirmed the COI's were issued by the agent when no coverage was in effect. However, when the investigator contacted consumers regarding the COIs, the consumers advised the investigator they were no longer insured with the agency and had taken their business elsewhere. The investigation revealed the agent had issued COIs for consumers at renewal without confirming they wanted to renew their policy. The agent did not collect any premiums prior to issuing the COIs and did not benefit financially.

Disposition: License suspended for six months followed by one year's probation.

Case: An investigative case was opened on a life, health and variable annuity agent based on a referral from the Division of Investigative and Forensic Services alleging the agent was involved in a scheme of forgery, rebating, misrepresentation, and providing false underwriting information. During the course of the investigation, evidence was obtained that proved the agent submitted applications for coverage and altered the terms of the coverage which the insurer did not authorize. The applications also contained falsified signatures of the applicants.

Disposition: License suspended for 12 months.

Case: A case was opened after investigators receive an allegation of fraud from two health insurers, indicating suspected fraud by a life, health and variable annuity agent. The insurance companies conducted internal investigations and found 1,300 suspicious enrollments by the agent for fully subsidized government health exchange plans without the insureds' knowledge or consent.

Investigators requested documentation from the companies including the agent's agreement and production runs. The investigators' review of the agent's production report and related applications found many insured addresses were not valid addresses according to the United States Postal Service. One group of irregularities found indicated the agent used a single address on 27 separate applications.

Disposition: License revoked.



Case: Investigators received a complaint from our Division of Consumer Services alleging that an agency owner licensed as a life, health, variable annuity and general lines agent was allowing an unlicensed person to transact insurance. Investigators found the unlicensed employee's Customer Representative's license had expired because he was never properly appointed. The unlicensed employee purchased the agency but never applied for a general lines license. Investigators determined that the licensed agent was only coming into the agency briefly during the day, allowing the unlicensed owner to operate the agency in his absence, and that the agency phone was forwarded to the unlicensed owner's home phone line when the agency was closed. Although the general lines agent sold the agency to the unlicensed person, he continued to act as the agent in charge as all of the agency's insurer appointments were in his name.

Disposition: Agent's license suspended for 12 months, agency license suspended for three months.

Case: The source of this complaint was a referral from the Division of Investigative and Forensic Services. The complaint alleged that a life, health, variable annuity and general lines agent fraudulently submitted more than 15 bogus certificates of insurance for workers compensation insurance. Investigators obtained statements from consumers and insurance carrier documentation, and also interviewed the subject of the investigation.

Investigators proved the agent failed to place workers compensation coverage for a business that applied for coverage, and disseminated multiple invalid certificates to a number of unsuspecting municipal government entities throughout Palm Beach County and the Treasure Coast. The certificates contained numerous misrepresentations including fabricated insurance company names and policy numbers.

The agent was arrested by the Division of Investigative and Forensic Services and charged with 16 counts of uttering a forged instrument.

Disposition: Permanently barred from the insurance business in Florida.

Case: An investigation was opened on a life, health and annuity agent after Investigators received information from an insurer alleging the agent altered applications and related documents for a life insurance policy. Investigators met with the affected consumer, who advised she received a statement of policy values from the agent that reflected approximately \$100,000 in her policy, but she was suspicious because the printing on the statement didn't line up. The insured contacted the insurer, and found her policy value was only \$4,700.

Disposition: Fined \$3,000, suspended six months.

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INSURANCE *Insights*

DIVISION OF AGENT AND AGENCY SERVICES

Volume 5, No. 8 - August 2016

Enforcement Actions

- July 2016

Some of the following enforcement actions were resolved through a settlement process resulting in an order for discipline. Notification of enforcement 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. The license or registration status may have changed since the filing of these orders. We suggest that you search the [Licensee Search](#) or make a [public records request](#) to verify the current status of any license or registration.



IMPORTANT NOTE: Actions taken before July 1, 2015 are located at [FLDFS Final Orders](#). Actions taken after July 1, 2015, can be searched for at the Florida Division of Administrative Hearings' (DOAH) [website](#). For further information, you may make a public records request via [email](#) or contact the [Public Records Unit](#).

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 so could be in violation of Section 626.9541(1)(c), Florida Statutes.

LAST/BUSINESS NAME	FIRST NAME	LICENSE	LICENSE TYPE	DISPOSITION	FINE/COST	CITY, STATE	DOCUMENT
Acevedo	Giovanni	A000731	Life, variable annuity	License Suspended Indefinitely		Wilton Manor, FL	Notice of Temporary Suspension
Acosta	Estelle	W188697	Public Adjuster	License Suspended 3 Months		San Diego, CA	Order of Suspension
Bates	Robert	A015847	General lines	License Revoked		Tulsa, OK	Notice of Revocation
Belizaire	Michele	A018074	Life, health, variable annuity, general lines	Probation and Fine	\$5,000	El Portal, FL	Consent Order
Benton	Larry	A318554	Life, variable annuity	License Revoked		Siloam, GA	Consent Order

Bryant	Rashann	W039340	Life, health, variable annuity	Fined	\$750	Cleveland, FL	Consent Order
Cabal	Fernando	W012864	Customer Representative	License Revoked		Tamarac, FL	Consent Order
Cadwallader	Ted	E028344	Life, health, variable annuity	License Revoked		North Tonawanda, NY	Consent Order
Caplitz	Gregg	E022556	Life, variable annuity	License Revoked		Chelsea, MA	Notice of Revocation
Cashner	Robert	W200820	Life, health, variable annuity	License Suspended 6 Months		Belleview, FL	Consent Order
Cirruzzo	Anthony	A047684	All Lines Adjuster	License Revoked		New Port Richey, FL	Notice of Revocation
Constantine	Christopher	W085074	Life, variable annuity	License Revoked		Bradenton, FL	Order of Revocation
Davis	Sonja	D073544	Bail Bond	License Suspended 3 Months		Panama City, FL	Consent Order
Fisher	Joseph	W178524	Life, health, variable annuity	License Revoked		Fort Lauderdale, FL	Consent Order
Griswold II	David	P024351	Title	License Suspended 6 Months		Lake Worth, FL	Final Order
Guthrie Sr	Kevin	P015811	Life, health, variable annuity, Customer Representative, All Lines Adjuster	License Revoked		Palm Beach Gardens, FL	Order of Revocation
Jones	Derek	E020376	Bail Bond	License Suspended 2 Years		Sarasota, FL	Consent Order
Landis	Weston	W200310	Bail Bond	License Suspended Indefinitely		Palm City, FL	Notice of Temporary Suspension
Marshall	Paul	E009461	Life, health, variable annuity	License Revoked		Atlanta	Order of Revocation
Meo Jr	John	D037615	Life, health, variable annuity	License Suspended 3 Months		Naples, FL	Consent Order
Praydick-Meo	Katherine	P209919	Life, variable annuity	License Suspended 2 Months		Naples, FL	Consent Order

Pringle	Sheila	A211954	Life, health, variable annuity, general lines	License Suspended 6 Months		Jacksonville, FL	Consent Order
Romeu	Maria	P154323	General lines	License Revoked		Miami, FL	Consent Order
Scott	James	P103047	Life, variable annuity	License Revoked		Forth Worth, TX	Order of Revocation
Studley	Roy	E033077	Life, health, variable annuity	Probation		Deerfield Beach, FL	Consent Order
Sumner	Teddy	A258058	Life, health, variable annuity	Fined	\$750	Pinnacle, NC	Consent Order
United Insurance Inc		L071855	Agency	Fined	\$2,500	Coral Springs, FL	Consent Order
Wright	Whitney	W155207	Customer Representative	License Revoked		Inverness, FL	Notice of Revocation
Yencho	Robin	A292028	Life, health, variable annuity, general lines	License Revoked		Vero Beach, FL	Consent Order

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Contact Us

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AgentLicensing@MyFloridaCFO.com - For general inquiries about licensing.

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

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.

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Bureau of Investigation

Compliance issues, licensees and insurers only:

Title@MyFloridaCFO.com - For title insurance matters

BailBond@MyFloridaCFO.com - For bail bond matters

Adjusters@MyFloridaCFO.com - For adjuster matters

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askDFS@MyFloridaCFO.com -

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Title Insurance Data Call

TitleAgencyReporting@flor.com - For questions about the filing process

TitleDataCall@flor.com - For all other questions about the data call

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