Introduction

This 5-hour course was created to assist agents satisfy not only their CE requirements but also to educate, remind, and reinforce ethical standards essential to maintaining professionalism in the agent community.

In Florida, the Department of Financial Services and Office of Insurance Regulation have created a number of websites to help health agents stay current about changing insurance products, licensing requirements, and compliance issues. The DFS and OIR also issue bulletins, memorandums, and newsletters to assist agents, adjusters and insurers stay current about the latest industry alerts and updates.

Agents who transact insurance in Florida must be familiar with Florida's insurance laws. The agentswho fail to conduct insurance business according to these laws may inadvertently cause harm to consumers. Agents may also risk license suspension, revocation, and/or non-renewal if they fail to carry out their obligations and duties pursuant to state law as well as administrative fines and criminal penalties which may be imposed.

It is the responsibility of Florida agents to determine the courses they need to complete prior to renewing their insurance license. Agents may view their education requirements by going to their MyProfile account on the Florida website. Florida encourages agents to check this website frequently to keep abreast of any outstanding requirements that might exist.

When online education companies are used, it is necessary to continue using the same entry data (username and password) when advantageous benefits logging in to complete continuing education. Agents who register multiple times will not be able to access the information from their first registration in most cases. In some cases, software might have a method of verifying duplicate registrations (such as license numbers or email addresses) but professionals do not rely on this possibility.

Chapter 1 Florida's Rules and Regulations

States depend on certain individuals to help the state run efficiently. Each individual plays an important role.

Chief Financial Officer

The Chief Financial Officer is the chief fiscal officer of the state and is responsible for settling and approving accounts against the state and keeping all state funds and securities. (Sec. 17.001 F.S.) The Chief Financial Officer of Florida is a statewide constitutional officer of Florida.

The CFO is a combination of the former offices of Comptroller and Treasurer/Insurance Commissioner/Fire Marshal. The office heads the Florida Department of Financial Services and is responsible for overseeing the state's finances, collecting revenue, paying state bills, auditing state agencies, regulating cemeteries and funerals, and handling fires and arsons. (Sec. 17.001 et seq. F.S.) In addition, the CFO has administrative oversight over the offices which handle banking and insurance regulation. The CFO is a member of the Cabinet. As the department head, the CFO is responsible for directing, coordinating, and executing the powers, duties, and functions vested in the DFS and its divisions. (Section 20.05(1)(a) F.S.)

Department of Financial Services

Florida Department of Financial Services (FLDFS) is a state agency of Florida. Its headquarters are

in Tallahassee. In 2002 the Florida Legislature merged the Department of Insurance, Treasury and State Fire Marshal and the Department of Banking and Finance into one department, the Florida Department of Financial Services. (Sec. 20.121 F.S.)

Organization
The Department is led by the Chief Financial Officer of Florida (CFO), who is elected statewide to a four year term. The CFO is assisted in running the Department by two Deputy Chief Financial Officers and a Chief of Staff. The Department is organized into 14 functional Divisions, which perform the work of the Department, and 7 Offices, which assist the CFO in managing the Department and fulfilling the CFO's responsibilities. Three of the divisions specifically deal with the insurance industry.

Consumer Services Division provides information and educational materials to consumers to help them make informed insurance and financial decisions. Insurance Agent and Agency Services Division regulates the licensing of individuals and entities that transact insurance in Florida.

Insurance Fraud Division is a law enforcement agency that protects Florida citizens from financial and insurance fraud.

Office of Insurance Regulation

The Office of Insurance Regulation has primary responsibility for regulation, compliance and enforcement of statutes related to the business of insurance and the monitoring of industry markets. Is also responsible for all activities concerning insurers and other risk bearing entities, including licensing, rates, policy forms, market conduct, claims, issuance of certificates of authority, solvency, viatical settlements, premium financing, and administrative supervision, as provided under Sec. 20.121(3)(a)1 F.S. The head of the Office of Insurance Regulation is the Director of the Office of Insurance Regulation, who may also be known as the Commissioner of Insurance Regulation.

Bureaus within the Division are organized into centers of regulatory expertise related to life and health, property and casualty, specialty lines and other regulated insurance entities. It is within the Division of Insurer Services that the mission of public protection is implemented through regulatory oversight of company solvency, policy forms and rates, market conduct performance and new company entrants to the Florida market.

General Duties of the Department and Office (Sec. 624.307, 308 F.S.):

-The department shall enforce the insurance code and shall execute the duties imposed upon it by the code.

-The department shall have the powers and authority expressly conferred upon it by, or reasonably implied from, the provisions of the code.

-The department may conduct investigations pertinent to insurance matters.

-The department may collect, propose, publish, and disseminate information relating to the subject matter of any duties imposed upon it by law.

-The department shall make rules and regulations to administer the state's insurance laws.

-The department may employ actuaries who shall be at-will employees and who shall serve at the pleasure of the Insurance Commissioner.

-The department shall, within existing resources, develop and implement an outreach program for the purpose of encouraging the entry of additional insurers into the Florida

market.

Office of Financial Regulation

The mission of the Florida Office of Financial Regulation is to protect the citizens of Florida by carrying out the banking, securities and financial laws of the state efficiently and effectively and to provide regulation of business that promotes the sound growth and development of Florida's economy.

The Florida Office of Financial Regulation (OFR) provides regulatory oversight for Florida's financial service providers. Although relatively new, OFR's beginnings as a banking, finance and securities regulator date back to the mid-1800s, with the creation of the former Comptroller's office.

OFR is self-supporting in that none of its operating revenues come from the state's general tax funds. Instead, they are paid by the organizations and individuals it regulates.

OFR is organized into five areas: Financial Institutions, Finance, Securities, Investigations and Executive Direction. The Office of Financial Regulation, which shall be responsible for all activities of the Financial Services Commission relating to the regulation of banks, credit unions, other financial institutions, finance companies, and the securities industry. The head of the office is the Director of the Office of Financial Regulation, who may also be known as the Commissioner of Financial Regulation. The Office of Financial Regulation shall include a Bureau of Financial Investigations, which shall function as a criminal justice agency for purposes of ss. 943.045-943.08 and shall have a separate budget. The bureau may conduct investigations within or outside this state as the bureau deems necessary to aid in the enforcement of this section. If, during an investigation, the office has reason to believe that any criminal law of this state has or may have been violated, the office shall refer any records tending to show such violation to state or federal law enforcement or prosecutorial agencies and shall provide investigative assistance to those agencies as required.

The Office of Financial Regulation defends the public from investment and securities fraud, and protects Florida's citizens against entities that violate state laws and rules.

NOTE: THE DUTIES OF CFO, DFS, OIR AND OFR WORK TOGETHER FOR THE PROTECTION OF FLORIDA'S CITIZENS, THEREFORE, A MORE DETAILED DESCRIPTION AND EXPLANATION OF THE OFFICE OF FINANCIAL REGULATION (OFR) IS OF INTEREST AT THIS POINT. THE FOLLOWING INFORMATION HAS BEEN REDACTED FOR EASE OF REVIEW AND TO EMPHASIZE THE DUTIES OF THE OFFICE.

UNDERSTANDING OFR: A GUIDE TO FLORIDA'S OFFICE OF FINANCIAL REGULATION BANKING FINANCE SECURITIES

Mission

To protect the citizens of Florida by carrying out the banking, securities and financial laws of the state efficiently and effectively and to provide regulation of business that promotes the sound growth and development of Florida's economy.

Overview

The Florida Office of Financial Regulation (OFR) provides regulatory oversight for Florida's financial service providers and was created in 2003 by combining duties of existing banking, finance and securities regulations.

OFR is self-supporting as the personnel are paid by the organizations and individuals regulated. OFR is organized into five areas: Financial Institutions, Finance, Securities, Investigations and Executive Direction. The programs oversee and regulate a wide range of financial enterprises and individuals, such as banks, credit unions, mortgage loan originators, securities industry

participants, consumer finance companies, money transmitters, foreign currency exchangers and payday lenders. Offices are in Tallahassee, Jacksonville, Orlando, West Palm Beach, Fort Lauderdale, Miami, Fort Myers, Tampa and Pensacola.

Financial Services Commission

The Commission is comprised of four members: the Governor, the Attorney General, the Chief Financial Officer and the Commissioner of Agriculture. The two offices within the Commission are the Office of Financial Regulation, which regulates the banking, finance and securities industries in Florida, and the Office of Insurance Regulation, which regulates insurance companies. Both offices are headed by commissioners who are appointed by the Financial Services Commission. The Financial Services Commission is responsible for final approval of rules developed by each office. All regulatory decisions are vested with the offices.

The Financial Services Commission consists of the Governor, Attorney General, Chief Financial Officer, and Commissioner of Agriculture.

The Division of Financial Institutions has regulatory authority over state-chartered commercial banks, credit unions, savings associations, savings banks, credit card banks and non-deposit trust companies. Additionally, it oversees state-licensed international banking agencies, branch offices, representative offices and administrative offices.

The Division has three bureaus, a North and South Bank regulations districts, and a Bureau of Credit Union regulations. They administer Florida statutes pertaining to Financial Institutions, Credit Unions, Banks and Trust Companies, Trust Business, International Banking, Associations and Savings Banks. The Division is responsible for the formation and licensing approvals of these financial institutions.

The Florida Statutes require the Division to examine each state financial institution every 18 months. For commercial and foreign banks, the Division alternates examination responsibility with the Federal Deposit Insurance Corporation and Federal Reserve Bank of Atlanta.

Enforcement

Regulators use examination ratings to distinguish between institutions with different levels of concern. Although ratings vary slightly based on the type of institution, institutions are generally rated on management (including risk management, operational controls and compliance with applicable state and federal laws), capital adequacy, asset quality, earnings and liquidity. In these rating systems, each area is separately rated and a composite number is assigned with one as the strongest and five as the weakest. Generally, OFR pursues enforcement actions against financial institutions for:

Violations of laws, rules or regulations Unsafe or unsound "banking" practices Breaches of fiduciary duty Violations of orders or written agreements

Enforcement actions depend on the nature and severity of the identified deficiencies and issues. The goal of corrective action is to identify problem areas and ensure that deficiencies are addressed.

Division of Accounting and Auditing

The Division of Accounting and Auditing includes:

1. The Bureau of State Payrolls;
2. The Bureau of Financial Reporting;
3. The Bureau of Auditing; and
4. The Bureau of Vendor Relations.

This Division prepares and provides financial reports and makes sure Florida taxpayers' dollars are appropriately spent. They review the agreements that provide goods and services to Florida and approve payment requests. State agencies and vendors can use website links to find information to improve their business processes.

Division of Administration

The Division of Administration is responsible for providing administrative support to the Department of Financial Services, Office of Financial Regulation and Office of Insurance Regulation. The division includes the Bureau of General Services, the Bureau of Human Resource Management, and the Office of Publications.

Bureau of General Services

The Bureau of General Services serves all employees in the Department encompassing four core management sections:

1. Emergency Management and Safety;
2. Mail Services;
3. Printing Services; and
4. Property and Facility Management.

Bureau of Human Resource Management

The Bureau of Human Resource Management administers a comprehensive human resource program for the Department, including:

1. Attendance and Leave
2. Benefits
3. Classification and Pay
4. Employee Relations
5. Learning and Development
6. Payroll
7. Performance Management; and
8. Recruitment and Selection.

Office of Purchasing and Contractual Services

The Office of Purchasing and Contractual Services serves as the team responsible for the Department's procurements; the duties include Purchasing Services and Contract Administration.

Office of Cabinet Affairs

The Office of Cabinet Affairs (OCA) serves as DEP's clearinghouse for all cabinet agenda items for presentation to the Governor and Cabinet, which includes the Attorney General, Chief Financial Officer and Commissioner of Agriculture and Consumer Services, sitting as the Board of Trustees of the Internal Improvement Trust Fund and the Power Plant Siting Board. The OCA coordinates the preparation of cabinet agenda items pertaining to the acquisition, administration, disposition and use of state lands with the DEP divisions, district offices and water management districts. The OCA provides technical and logistical support to the DEP executive staff, cabinet-level reviews of agenda items and transmittal of these items to the Governor and Cabinet. Serving as a liaison with the Cabinet Offices, the OCA coordinates overall programmatic assignments with the Deputy Secretary of Land and Recreation or other DEP staff as needed.

Office of Communications

The Office of Communications serves as the Chief Financial Officer's liaison with the news media. As the primary contact for journalists, the office provides information regarding the CFO's initiatives and Department of Financial Services' responsibilities.

This Office is also the State Fire Marshal's liaison with the news media. All media inquiries regarding investigations, regulations, and activities of the State Fire Marshal are handled by the CFO's Office of Communications.

Division of Consumer Services

The Division of Consumer Services consists of the Bureau of Education Advocacy and Research and the Bureau of Consumer Assistance.

The Division of Consumer Services offers a variety of information and resources to educate consumers regarding numerous insurance and financial topics. Their goal is to proactively educate and assist Florida's insurance and financial consumers through responsive, professional and innovative service.

The Division offers a toll-free Insurance Consumer Helpline to assist insurance consumers with insurance questions and inquiries or to file a complaint against an insurance company. The staff will advocate on an individual's behalf and assist him or her with resolving their insurance concerns.

Office of Finance and Budget

The Office of Finance and Budget includes its Bureau of Financial Services. It supports all divisions in the Department of Financial Services by identifying, managing, projecting, analyzing, processing, and reporting the financial resources of the department. This is done by informing, supporting, advising, and providing timely accurate relevant and accessible data.

Division of Funeral, Cemetery, and Consumer Services

The Division of Funeral, Cemetery, and Consumer Services (includes its Board of Funeral, Cemetery, and Consumer Services) protects death care industry consumers buying preneed burial rights. It also protects those purchasing funeral and burial merchandise or services. It oversees licensed establishments, facilities, and cemetery grounds by conducting annual inspections.

The Division has established qualifications for professions and occupations in the death care industry. These professions and occupations include but are not limited to funeral directing, embalming, preneed sales and monument sales. Furthermore, the Division ensures death care professionals maintain their qualifications through continuing education courses and licensure renewal. Lastly, The Division ensures effective discipline for those licensees who have violated the law.

Formerly called the Division of Legal Services, the Office of General Counsel provides legal counsel and represents the Florida Department of Environmental Protection. The office focuses on Florida's environmental priorities, such as restoring America's Everglades; improving air quality; restoring and protecting the water quality in Florida's springs, lakes, rivers and coastal waters; conserving environmentally sensitive lands; and providing citizens and visitors with varied recreational opportunities.

The Division of Information Systems (DIS) supports the mission and vision of Florida's Chief Financial Officer (CFO). The use of emerging technology, a highly trained technical workforce, and strategic partnerships with Floridians is what drives the organization to achieve success.

Division of Insurance Agent and Agency Services

The Division of Insurance Agent and Agency Services includes the Bureau of Investigation and the Bureau of Licensing. It is the website provided to provide accurate information regarding insurance agents, adjusters, limited surety (bail bond) agents, navigators, insurance-related entities, including education providers and instructors. Here Floridians can find everything required to know about qualifying, applying for licensure, education requirements, and compliance information.

Division of Rehabilitation and Liquidation

The Department of Financial Services is responsible for serving as the receiver of any insurer placed into receivership in the state. This Division plans, coordinates, and directs the receivership process on behalf of the Department. If an insurance company cannot be successfully rehabilitated, the Department will petition a court to have the insurer placed into liquidation.

Division of Investigative and Forensic Services

Formerly the Division of Insurance Fraud, the Division of Investigative and Forensic Services functions as a criminal justice agency. The division now includes the following bureaus and offices:

1. The Bureau of Forensic Services, formerly called the Division of the State Fire Marshal;
2. The Bureau of Fire and Arson Investigations, formerly known as the Division of the State Fire Marshal;
3. The Office of Fiscal Integrity, formerly known as the Division of Accounting & Auditing;
4. The Bureau of Workers' Compensation Fraud;
5. The Bureau of Insurance Fraud; and
6. Operational Support Services.

The Division of Investigative and Forensic Services encompasses all law enforcement and forensic components residing within the Department of Financial Services. With this broad responsibility, the division investigates a wide range of fraudulent and criminal acts including:

1. Insurance Fraud Investigations;
2. Workers' Compensation Fraud Investigations;
3. Fire, Arson and Explosives Investigations;
4. Theft/Misuse of State Funds; and
5. Fire and Explosives Sample Analysis.

Law enforcement officers are required to use skills developed through observation, training and experience to identify suspicious circumstances, unusual occurrences and violations of law. They contact people who, according to their training, experience and knowledge, are in a place or are acting in a way to make them believe a crime was or is about to be committed. Using a proactive approach helps in the detection and apprehension of criminals, protecting citizens from crime.

One of their goals is to avoid discriminatory practices, affording all citizens equal protection under the law. There is a difference between the accepted practices of criminal profiling and bias-based profiling. One is an investigative too, while the other is a discriminatory practice. Under criminal profiling, such things as gender, race, and other factors that narrow the search are used, whereas bias-based profiling occurs when an officer applies his or her own personal and societal biases to actions.

Office of Inspector General

The mission of the Office of Inspector General is to advance positive change in performance, accountability, efficiency, integrity, and transparency of programs and operations within the Department of Financial Services. Their authority comes from Section 20.055(2) of the Florida Statutes. It provides that the Office of Inspector General (OIG) is established in each state agency to provide a central point for coordination of and responsibility for activities that promote accountability, integrity and efficiency. Their major responsibilities include investigations, audits, reviews, consulting and technical assistance activities.

The offices of Insurance Regulation (OIR) and Financial Regulation (OFR) each have their own separate inspectors general. Sometimes the DFS Inspector General may work with the OIR or OFR Inspectors General of projects of mutual interest.

Office of Insurance Consumer Advocate

The Office of Insurance Consumer Advocate is intended to be a strong, independent voice for Floridians. As citizens become increasingly dependent on quality insurance products, an advocate is needed to represent the people when insurance decisions are made, something people often felt they did not have in the past.

The office of Insurance Consumer Advocate maintains a balance between a viable, competitive insurance market with the fiscal capacity to fulfill obligations to policyholders and consumer's needs for accessible, affordable insurance products to protect their lives, health, and property. Tapping into market reports, along with around 500,000 inquiries annually, they are able to identify market trends affecting Floridians. This data empowers the Insurance Consumer Advocate to seek early and proactive resolution of practices that may adversely affect people, and assist in expansion of benefits that are good for consumers.

Office of Internal Affairs and Appointments

The Office of Internal Affairs and Appointments coordinates the CFO's appointments to state sponsored Commissions and Boards. Additionally, the office manages the CFO's day-to-day scheduling.

The CFO has appointing authority for many Boards and Commissions throughout Florida. It is the CFO's responsibility to appoint qualified, representative, and appropriate people to these roles.

Division of Finance

The Division of Finance regulates non-depository financial service industries and individuals, which consist of Mortgage loan originators, brokers and lenders, Consumer finance companies, Motor vehicle, retail and home improvement sellers, and sales finance companies, Title loan lenders, Commercial and consumer collection agencies, Money services businesses.

The Division administers Florida Statutes regarding Mortgage Brokers and Lenders, Consumer Finance Companies, Retail Installment Sales, Title Loans, Collection Agencies, and Money Services Businesses.

Licensing

The Division processes license and compliance filings for 19 different licenses and ensures that only individuals and businesses that meet the standards for licensure are allowed to conduct business in Florida.

Division of Securities

The Division of Securities protects the investing public from unlawful securities activities through regulating the sale of securities in, to or from Florida. Regulated entities include firms (securities dealers, issuers and investment advisers), branch offices and individuals affiliated with these firms.

The Division examines dealers, investment advisers and employees to determine compliance with the securities laws. Because the Division does not require "cause" or grounds for legal action to examine a dealer or investment adviser, firms registered with the Division may be subject to an unannounced examination.

Enforcement

OFR's Commissioner has broad authority to enforce the Act. The Division recommends whether to deny, suspend, revoke or restrict the registrations of firms and individuals that apply for registration, or are currently registered under the Act. The Commissioner may seek administrative remedies in the Division of Administrative Hearings or civil remedies in court including cease and

desist orders, civil penalties, fines, restitution, disgorgement or rescission, an asset freeze or appointment of a receiver.

Bureau of Financial Investigations

The Bureau of Financial Investigations conducts financial investigations into alleged fraudulent and unlicensed activity in all areas under OFR's jurisdiction.

The Bureau investigates violations primarily against Securities and investment fraud, Mortgage fraud, Consumer finance and other lending violations and Loan broker and advance fee loan crimes.

Outreach

OFR's website, www.flofr.com, contains a substantial amount of information to help consumers and regulated industries stay informed about the issues that affect them.

Consumers and investors frequently call OFR to determine whether certain firms or individuals are licensed or registered to do business in Florida, as required by law. OFR encourages Florida consumers and investors to file complaints by visiting www.flofr.com, by calling 1-800-848-3792 or by mail. OFR reviews complaints and determines whether they warrant further action. The complaint process is frequently valuable to consumers, even when formal action is not taken, because OFR can require compliance, which often involves restitution or some other favorable result for the consumer.

Regulatory Enforcement and Licensing System (REAL)

Developed specifically for OFR, REAL is an online portal that combines core licensing, enforcement and fiscal processes into an integrated financial regulatory management tool.

The system centralizes information, improves processing times and promotes a paperless environment.

The REAL design allows data and activities affecting a regulated entity to be accessed from a single point within the system. Examples include legal and investigative cases, examinations, complaints, business relationships and other licenses held by the entity. REAL also provides a tracking mechanism for unlicensed entities, and data can be imported from systems outside OFR.

For most license types, applicants and licensees can conduct various business activities online, such as submitting applications and compliance filings, renewing licenses and paying filing fees. Certain licensees can upload financial statements and quarterly reports. The online licensing feature provides 24-hour access to applicants and licensees and has resulted in faster processing times for initial applications and renewals. Licensees can also print their license online immediately after renewal. This has reduced postage cost and a two-to- four week delay for licensees to receive their new license.

Employees

The system helps staff receive, process and monitor applications and cases in a timely manner.

Through REAL, OFR analysts and examiners have more information at their disposal related to applicants and licensees. As a result, staff can spend less time on volume processing and give more attention to substantive issues (e.g., applicants with disciplinary history or enforcement problems).

Consumers

The public has greater access to research regulated entities through the Public License Search feature. The search feature returns basic licensure information about an individual or business, as well as self-reported disclosure information on the initial application or an amendment filing.

Disclosure information may include criminal or regulatory actions, pending criminal, civil litigation or arbitration. Consumers can also file complaints online against regulated licensees or view final orders and declaratory statements issued by OFR.

Financial Institutions Regulatory Trust Fund: receives all revenues and is used for all expenses related to the regulation of state-chartered banks and credit unions, foreign bank offices and trust companies.

Securities Anti-Fraud Trust Fund: receives administrative penalties assessed for violations of the securities regulations. Funds must be appropriated by the Legislature and may only be used for investigation and prosecution of enforcement actions brought under the securities statutes or for consumer awareness.

Administrative Trust Fund: the Regulatory Trust Fund and the Financial Institutions Regulatory Trust Fund contribute funds to OFR's Administrative Trust Fund to cover the cost of support functions within OFR and support functions provided by the Department of Financial Services.

Florida Office of Financial Regulation Financial Services Commission OFR Consumer Helpline: (800) 848-3792 **www.flofr.com**

Chapter 2 Licensing Requirements

To qualify for a Health Insurance Agent's License, an applicant must complete each of the items below and/or meet the associated requirements, as well as sit for their state exam.

Complete an application for license with the Florida Department of Financial Services at http://www.myfloridacfo.com - Click on "Answer your licensing and renewal questions" under Agents and Adjusters. Click on "My Profile" under Links for Agents & Adjusters.

Requirements for Successful Processing of Your Application:
Printer capabilities - You will need printer capabilities to print out materials required during the application process. Application Fees - Fees submitted to the Florida Department of Financial Services for your application are non-refundable. New license application fees are valid for 6 months. If you are not qualified for the license or pass the state examination within 6 months of the application date, you must re-apply with a new license application. Completion of your application - Your application is NOT complete until you select a method of payment. Once you log on to the system from the page link provided below, do not exit the system until you reach the page that advises that your application is complete.

Application for license may be made http://www.myfloridacfo.com

Must be a natural person at least 18 years of age. Be a bona fide resident of Florida. Take and pass the required life including variable annuity and health examinations. Not be an employee of the United States Department of Veterans Affairs or state service office, as referred to in Section 626.833, Florida Statutes. Not be a funeral director or direct disposer, or an employee or representative thereof, or have an office in or in connection with a funeral establishment. When applicable, provide a Letter of Clearance: If licensed as a resident insurance representative (adjuster, agent, broker, etc.) in another state or province of Canada within the past 3 years, an original Letter of Clearance is required. A Letter of Clearance is an original certificate or letter of authorization from the licensing authority of the applicant's home state or province, stating that the applicant was formerly licensed to act as a resident agent, broker, adjuster, etc. (whichever the case may be). Such certificate or letter of authorization must be signed by the insurance commissioner, his deputy, or the appropriate licensing official and must reflect whether or not the former licensee has ever had any license or eligibility to hold any license declined, denied, suspended, revoked, placed on probation or administrative fine or penalty levied and, if such is

the case, the reason for such action.

Be fingerprinted.

FINGERPRINTING REQUIREMENT
The Department will not delay or withhold approval of a license application due to the fact that it has not received a criminal history report based on an applicant's finger prints.

IMPORTANT: Upon receipt of a criminal history report from the FDLE/FBI, if an applicant or licensee has failed to divulge his/her complete law enforcement record on their application for license, such failure to divulge one's complete criminal history record can result in their application being denied, or if already licensed as an insurance representative, can result in administrative action being taken by the Department.

NOTE: Criminal history checks are good for one (1) year. This means that if an applicant applies for an additional class of insurance license, he/she will NOT be required to file another fingerprint card unless specifically requested by the Department, or it has been over one (1) year since the Department received a set of the applicant's fingerprints for processing by the FDLE/FBI.

For nonresident agents: Only FBI-approved fingerprint cards are acceptable. An applicant's fingerprints must be taken by a certified law enforcement officer, or by an employee of a law enforcement agency whose duty it is to perform fingerprint services for the public. The signature of the person taking the prints must be written in the space entitled "Signature of Official Taking Fingerprints." All personal information requested at the top of the fingerprint card (date of birth, place of birth, weight, height, color of eyes and hair, etc.) is required. Incomplete fingerprint cards will be returned which will delay the processing of an applicant's license application. Do NOT fold the fingerprint card.

Unless the applicant is a CLU, within four years prior to filing the application for license, satisfy the educational or experience requirements by:

-Successfully completing 40 hours of approved insurance course work for health agents; or

-Successfully completing a correspondence course approved by the Department; or

-Completing at least 3 semester hours of credit health courses from an accredited college or university; or Having held an active health insurance agent's license for one year in another state if the other state grants reciprocal treatment to licensees formerly licensed in Florida.

NOTE: Florida regulations generally combine regulations for licensing and appointment within the same regulation. The following information is redacted from regulations which address both. The wording and regulation/rule/statute number (in most cases preceded by "626") are shown in this text but are restricted only to those which apply to the subject under discussion.

APPOINTMENT
626.112 License and appointment required; agents, customer representatives, insurance agencies, service representatives, managing general agents.

No person may be, act as, or advertise or hold himself or herself out to be an insurance agent, unless he or she is currently licensed by the department and appointed by an appropriate appointing entity or person.

Except as provided in subsection (6) or in applicable department rules, and in addition to other conduct described in this chapter with respect to particular types of agents, a license as an

insurance agent, service representative, customer representative, or limited customer representative is required in order to engage in the solicitation of insurance. For purposes of this requirement, as applicable to any of the license types described in this section, the solicitation of insurance is the attempt to persuade any person to purchase an insurance product by:

-Describing the benefits or terms of insurance coverage, including premiums or rates of return;

-Distributing an invitation to contract to prospective purchases;

-Making general or specific recommendations as to insurance products;

-Completing orders or applications for insurance products;

-Comparing insurance products, advising as to insurance matters, or interpreting policies or coverages; or

-Offering or attempting to negotiate on behalf of another person a viatical settlement contract (as defined in § 626.9911)

However, an employee leasing company licensed as such which is seeking to enter into a contract with an employer that identifies products and services offered to employees may deliver proposals for the purchase of employee leasing services to prospective clients of the employee leasing company setting forth the terms and conditions of doing business; classify employees as permitted by regulations; collect information from prospective clients and other sources as necessary to perform due diligence on the prospective client and to prepare a proposal for services; provide and receive enrollment forms, plans, and other documents; and discuss or explain in general terms the conditions, limitations, options, or exclusions of insurance benefit plans available to the client or employees of the employee leasing company were the client to contract with the employee leasing company. Any advertising materials or other documents describing specific insurance coverages must identify and be from a licensed insurer or its licensed agent or a licensed and appointed agent employed by the employee leasing company. The employee leasing company may not advise or inform the prospective business client or individual employees of specific coverage provisions, exclusions, or limitations of particular plans. As to clients for whom the employee leasing company is providing services, the employee leasing company may engage in activities permitted by regulations, subject to the restrictions so specified. If a prospective client requests more specific information concerning the insurance provided by the employee leasing company, the employee leasing company must refer the prospective business client to the insurer or its licensed agent or to a licensed and appointed agent employed by the employee leasing company.

No agent or customer representative shall solicit or otherwise transact as agent or customer representative, or represent or hold himself or herself out to be an agent or customer representative as to, any kind or kinds of insurance as to which he or she is not then licensed and appointed.

No person shall be, act as, or represent or hold himself or herself out to be a service representative unless he or she then holds a currently effective service representative license and appointment. This subsection does not apply as to similar representatives or employees of casualty insurers whose duties are restricted to health insurance.

No person shall be, act as, or represent or hold himself or herself out to be a managing general agent unless he or she then holds a currently effective managing general agent license and appointment.

No person shall be, act as, or represent or hold himself or herself out to be a managing general agent unless he or she then holds a currently effective managing general agent license and appointment.

An individual employed by a life or health insurer as an officer or other salaried representative may solicit and effect contracts of life insurance or annuities or of health insurance, without being licensed as an agent, when and only when he or she is accompanied by and solicits for and on the behalf of a licensed and appointed agent.

An individual, firm, partnership, corporation, association, or other entity shall not act in its own name or under a trade name, directly or indirectly, as an insurance agency unless it complies with s. 626.172 with respect to possessing an insurance agency license for each place of business at which it engages in an activity that may be performed only by a licensed insurance agent. However, an insurance agency that is owned and operated by a single licensed agent conducting business in his or her individual name and not employing or otherwise using the services of or appointing other licensees shall be exempt from the agency licensing requirements of this subsection.

A branch place of business that is established by a licensed agency is considered a branch agency and is not required to be licensed so long as it transacts business under the same name and federal tax identification number as the licensed agency and has designated with the department a licensed agent in charge of the branch location as required by s. 626.0428 and the address and telephone number of the branch location have been submitted to the department for inclusion in the licensing record of the licensed agency within 30 days after insurance transactions begin at the branch location.

If an agency is required to be licensed but fails to file an application for licensure in accordance with this section, the department shall impose on the agency an administrative penalty of up to $10,000.

The department must automatically convert the registration of an approved registered insurance agency to an insurance agency license.

No insurance agent, insurance agency, or other person licensed under the Insurance Code may pay any fee or other consideration to an unlicensed person other than an insurance agency for the referral of prospective purchasers to an insurance agent which is in any way dependent upon whether the referral results in the purchase of an insurance product.

Any person who knowingly transacts insurance or otherwise engages in insurance activities in this state without a license in violation of this section commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084. No insurance agent, insurance agency, or other person licensed under the Insurance Code may pay any fee or other consideration to an unlicensed person other than an insurance agency for the referral of prospective purchasers to an insurance agent which is in any way dependent upon whether the referral results in the purchase of an insurance product.

Any person who knowingly transacts insurance or otherwise engages in insurance activities in this state without a license in violation of this section commits a felony of the third degree, punishable as provided in existing statutes, laws of regulations.

626.181 Number of applications for licensure required
After a license as agent, customer representative, or adjuster has been issued to an individual, the same individual shall not be required to take another examination for a similar license, regardless, in the case of an agent, of the number of insurers to be represented by him or her as agent, unless:

-Specifically ordered by the department to complete a new application for license; or
-During any period of 48 months since the filing of the original license application, such individual was not appointed as an agent, customer representative, or adjuster, unless the failure to be so appointed was due to military service, in which event the period within which a new application is not required may, in the discretion of the department, be extended to 12 months following the date of discharge from military service if the military service does not exceed 3 years, but in no event to extend under this clause for a period of more than 6 years from the date of filing of the original application for license.

626.311 Scope of license
The license of a health agent covers all kinds of health insurance and such license may not be limited to a particular class of health insurance.

No agent licensee shall transact or attempt to transact under his or her license any line of insurance for which he or she does not have currently in force of record with the department an appointment by an authorized insurer.

At any time while a license is in force, an insurer may apply to the department on behalf of the licensee for an appointment. Upon receipt of the appointment application and appointment taxes and fees, the department may issue the additional appointment without further investigation concerning the applicant.

A natural person, not a resident of this state, may be licensed and appointed to represent an authorized life insurer domiciled in this state or an authorized foreign life insurer which maintains a regional home office in this state, provided such person represents such insurer exclusively at a United States military installation located in a foreign country. The department may, upon request of the applicant and the insurer on application forms furnished by the department and upon payment of fees as prescribed in s. 624.501, issue a license and appointment to such person. By authorizing the effectuation of an appointment for a license, the insurer is thereby certifying to the department that the applicant has the necessary training to hold himself or herself out as a life insurance representative, and the insurer shall further certify that it is willing to be bound by the acts of such applicant within the scope of his or her employment. Appointments shall be continued as prescribed in s.

626.381 and upon payment of a fee as prescribed in s. 624.501, unless sooner terminated. Such fees received shall be credited to the Insurance Regulatory Trust Fund as provided for in s. 624.523.

626.341 Additional appointments; general lines, life, and health agents
At any time while a licensee's license is in force, an insurer may apply to the department or person designated by the department to administer the appointment process on behalf of a licensee for an additional appointment as general lines agent or life or health agent for an additional insurer or insurers.

The application for appointment shall set forth all information the department may require. Upon receipt of the appointment and payment of the applicable appointment taxes and fees, the department may issue the additional appointment without, in its discretion, further investigation concerning the applicant.

A life or health agent with an appointment in force may solicit applications for policies of insurance on behalf of an insurer with respect to which he or she is not an appointed life or health agent, unless otherwise provided by contract, if such agent simultaneously with the submission to such insurer of the application for insurance solicited by him or her requests the insurer to appoint him or her as agent. However, no commissions shall be paid by such insurer to the agent until such

time as an additional appointment with respect to such insurer has been received by the department or person designated by the department to administer the appointment process pursuant to the provisions of subsection (1).

626.342 Furnishing supplies to unlicensed agent prohibited; civil liability
An insurer, a managing general agent, an insurance agency, or an agent, directly or through a representative, may not furnish to an agent any blank forms, applications, stationery, or other supplies to be used in soliciting, negotiating, or effecting contracts of insurance on its behalf unless such blank forms, applications, stationery, or other supplies relate to a class of business for which the agent is licensed and appointed, whether for that insurer or another insurer.

An insurer, general agent, insurance agency, or agent who furnishes any of the supplies specified in subsection (1) to an agent or prospective agent not appointed to represent the insurer and who accepts from or writes any insurance business for such agent or agency is subject to civil liability to an insured of such insurer to the same extent and manner as if such agent or prospective agent had been appointed or authorized by the insurer or such agent to act on its or his or her behalf. The provisions of this subsection do not apply to insurance risk apportionment plans under s.627.351.

626.371 Payment of fees, taxes for appointment period without appointment
All initial appointments shall be submitted to the department on a monthly basis no later than 45 days after the date of appointment and become effective on the date requested on the appointment form.

If, upon application and qualification for an initial or renewal appointment and such investigation as the department may make, it appears to the department that an individual who was formerly licensed or is currently licensed but not properly appointed to represent an insurer or employer and who has been actively engaged or is currently actively engaged as such an appointee, but without being appointed as required, the department may, if it finds that such failure to be appointed was an inadvertent error on the part of the insurer or employer so represented, nevertheless issue or authorize the issuance of the appointment as applied for but subject to the condition that, before the appointment is issued, all fees and taxes which would have been due had the applicant been so appointed during such current and prior periods, with applicable fees pursuant to s. 624.501 for such current and prior periods of appointment, shall be paid to the department.

Failure to notify the department within the required time period shall result in the appointing entity being assessed a delinquent fee of $250 per appointee. Delinquent fees shall be paid by the appointing entity and may not be charged to the appointee.

Failure to timely renew an appointment by an appointing entity prior to the expiration date of the appointment shall result in the appointing entity being assessed late filing, continuation, and reinstatement fees as prescribed in s. 624.501. Such fees must be paid by the appointing entity and cannot be charged back to the appointee.

626.381 Renewal, continuation, reinstatement, or termination of appointment
The appointment of an appointee continues in force until suspended, revoked, or otherwise terminated, but is subject to a renewal request filed by the appointing entity in the appointee's birth month as to natural persons or the month the original appointment was issued as to entities and every 24 months thereafter, accompanied by payment of the renewal appointment fee and taxes as prescribed in s. 624.501.

Each appointing entity shall file with the department the lists, statements, and information as to appointees whose appointments are being renewed or terminated, accompanied by payment of the applicable renewal fees and taxes as prescribed in s. 624.501, by a date set forth by the

department following the month during which the appointments will expire.

Renewal of an appointment which is received by the department or person designated by the department to administer the appointment process prior to the expiration of an appointment in the licensee's birth month or license issue date, whichever applies, may be renewed by the department without penalty and shall be effective as of the first day of the month succeeding the month in which the appointment would have expired.

Renewal of an appointment which is received by the department or person designated by the department to administer the appointment process after the renewal date may be accepted and effectuated by the department in its discretion if the appointment, late filing, continuation, and reinstatement fee accompanies the renewal request pursuant to s. 624.501. Late filing fees shall be paid by the appointing entity and may not be charged to the appointee.

The appointment issued to any such appointee shall remain in effect for as long as the appointment represented thereby continues in force as provided in this section.

An appointing entity may require an appointee to attend training and education programs of the appointing entity in order for the appointee to receive a new appointment or maintain an existing appointment. However, an appointing entity may not require, directly or indirectly, any appointee to attend any training programs that are wholly or partially approved for general continuing education credit as provided in s. 626.2815.

Each appointing entity may appoint only those persons who have met the continuing education requirements of the license necessary for such appointment as provided in s. 626.2815. However, an appointing entity may not make or allow, directly or indirectly, the appointment of any appointee or potential appointee to be contingent, in whole or in part, on any appointee's attendance at any course that is approved, in whole or in part, for continuing education credit pursuant to s. 626.2815.

626.431 Effect of expiration of license and appointment
Upon the expiration of any person's appointment, as provided in s. 626.381, the person shall be without any authority conferred by the appointment and shall not engage or attempt to engage in any activity requiring an appointment.

When a licensee's last appointment for a particular class of insurance has been terminated or not renewed, the department must notify the licensee that his or her eligibility for appointment as such an appointee will expire unless he or she is appointed prior to expiration of the 48-month period referred to in subsection (3).

An individual who fails to maintain an appointment with an appointing entity writing the class of business listed on his or her license during any 48-month period shall not be granted an appointment for that class of insurance until he or she qualifies as a first- time applicant.

626.441 License or appointment; transferability
A license or appointment issued under this part is valid only as to the person named and is not transferable to another person. No licensee or appointee shall allow any other person to transact insurance by utilizing the license or appointment issued to such licensee or appointee.

626.451 Appointment of agent or other representative
Each appointing entity or person designated by the department to administer the appointment process appointing an agent, adjuster, service representative, customer representative, or managing general agent in this state shall file the appointment with the department or office and, at the same time, pay the applicable appointment fee and taxes. Every appointment shall be subject to the prior issuance of the appropriate agent's, adjuster's, service representative's,

customer representative's, or managing general agent's license.

By authorizing the effectuation of an appointment for a licensee, the appointing entity is thereby certifying to the department that an investigation of the licensee has been made and that in the appointing entity's opinion and to the best of its knowledge and belief, the licensee is of good moral character and reputation, and is fit to engage in the insurance business. The appointing entity shall provide to the department any other information the department or office may reasonably require relative to the proposed appointee.

By authorizing the effectuation of the appointment of an agent, adjuster, service representative, customer representative, or managing general agent the appointing entity is thereby certifying to the department that it is willing to be bound by the acts of the agent, adjuster, service representative, customer representative, or managing general agent, within the scope of the licensee's employment or appointment.

Each appointing entity shall advise the department or office in writing within 15 days after it or its 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.

Any law enforcement agency or state attorney's office that is aware that an agent, adjuster, service representative, customer representative, or managing general agent has pleaded guilty or nolo contendere to or has been found guilty of a felony shall notify the department or office of such fact.

Upon the filing of an information or indictment against an agent, adjuster, service representative, customer representative, or managing general agent, the state attorney shall immediately furnish the department or office a certified copy of the information or indictment.

Each licensee shall advise the department in writing within 30 days after having been found guilty of or having pleaded guilty or nolo contendere to a felony or a crime punishable by imprisonment of 1 year or more under the laws of the United States, any state of the United States, or any other country, without regard to whether a judgment of conviction has been entered by the court having jurisdiction of such cases.

626.461 Continuation of appointment of agent or other representative
Subject to renewal or continuation by the appointing entity, the appointment of the agent, adjuster, service representative, customer representative, or managing general agent shall continue in effect until the person's license is revoked or otherwise terminated, unless written notice of earlier termination of the appointment is filed with the department or person designated by the department to administer the appointment process by either the appointing entity or the appointee.

626.471 Termination of appointment
Subject to an appointee's contract rights, an appointing entity may terminate its appointment of any appointee at any time. Except when termination is upon a ground which would subject the appointee to suspension or revocation of his or her license and appointment under s. 626.611 or s.626.621, and except as provided by contract between the appointing entity and the appointee, the appointing entity shall give at least 60 days' advance written notice of its intention to terminate such appointment to the appointee, either by delivery thereof to the appointee in person or by mailing it, postage prepaid, addressed to the appointee at his or her last address of record with the appointing entity. Notice so mailed shall be deemed to have been given when deposited in a United States Postal Service mail depository.

As soon as possible and at all events within 30 days after terminating the appointment of an appointee, other than as to an appointment terminated by the appointing entity's failure to

continue or renew it, the appointing entity shall file written notice thereof with the department, together with a statement that it has given the appointee notice thereof as provided in subsection (1) and shall file with the department the reasons and facts involved in such termination as required under s. 626.511.

Upon termination of the appointment of an appointee, whether by failure to renew or continue the appointment, the appointing entity shall:

-File with the department the information required under s. 626.511.

-Subject to the exceptions provided under subsection (1), continue the outstanding contracts transacted by an agent until the expiration date or anniversary date when the policy is a continuous policy with no expiration date. This paragraph shall not be construed to prohibit the cancellation of such contracts when not otherwise prohibited by law.

An appointee may terminate the appointment at any time by giving written or electronic notice thereof to the appointing entity, department, or person designated by the department to administer the appointment process. The department shall immediately terminate the appointment and notify the appointing entity of such termination. Such termination shall be subject to the appointee's contract rights, if any.

Upon receiving notice of termination, the department or person designated by the department to administer the appointment process shall terminate the appointment.

626.511 Reasons for termination; confidential information
Any insurer terminating the appointment of an agent; any general lines agent terminating the appointment of a customer representative or a crop hail or multiple- peril crop insurance agent; and any employer terminating the appointment of an adjuster, service representative, or managing general agent, whether such termination is by direct action of the appointing insurer, agent, or employer or by failure to renew or continue the appointment as provided, shall file with the department or office a statement of the reasons, if any, for and the facts relative to such termination. In the case of termination of the appointment of an agent, such information may be filed by the insurer or by the general agent of the insurer.

In the case of terminations by failure to renew or continue the appointment, the information required under subsection (1) shall be filed with the department or office as soon as possible, and at all events within 30 days, after the date notice of intention not to so renew or continue was filed with the department or office as required in this chapter. In all other cases, the information required under subsection (1) shall be filed with the department or office at the time, or at all events within 10 days after, notice of the termination was filed with the department or office. Any information, document, record, or statement furnished to the department or office under subsection (1) is confidential and exempt from the provisions of s. 119.07(1).

626.631 Procedure for refusal, suspension, or revocation of license
If any licensee is convicted by a court of a violation of this code or a felony, the licenses and appointments of such person shall be immediately revoked by the department. The licensee may subsequently request a hearing pursuant to §§
120.569 and 120.57, and the department shall expedite any such requested hearing. The sole issue at such hearing shall be whether the revocation should be rescinded be cause such person was not in fact convicted of a violation of this code or a felony.

The papers, documents, reports, or evidence of the department relative to a hearing for revocation or suspension of a license or appointment pursuant to the provisions of this chapter and chapter 120 are confidential and exempt from the provisions of regulations (§ 119.07(1)) until after the same have been published at the hearing. However, such papers, documents,

reports, or items of evidence are subject to discovery in a hearing for revocation or suspension of a license or appointment.

626.2815 Continuing education requirements
The department may immediately terminate or refuse to renew the appointment of an agent or adjuster who has been notified by the department that his or her continuing education requirements have not been certified, unless the agent or adjuster has been granted an extension or waiver by the department. The department may not issue a new appointment of the same or similar type to a licensee who was denied a renewal appointment for failing to complete continuing education as required until the licensee completes his or her continuing education requirement.

69B-211.004 Appointment Renewal Procedure
Purpose. The purpose of this rule is to establish procedures for persons seeking the biennial renewal of appointments to transact insurance pursuant to the Florida Insurance Code. Additionally, this rule sets forth the fees that will be assessed to individual and entities that file appointment renewals after the time frames specified by statute and this rule.

Scope. This rule applies to all persons submitting a request for renewal of appointments as an agent, customer representative, adjuster, service representative, managing general agent, title insurance agent, sales representative, reinsurance intermediary, or bail bond agent, and shall govern the renewal of appointments pursuant to the authority set forth in Sections 626.371, 626.381, 626.532, 626.843, 626.7492 and 648.383, F.S.

Definitions. For purposes of this rule, the following definitions shall apply.

-"Appointment" shall be as defined in Section 626.015, F.S.

-"Continuation fee" is the fee an appointing entity is charged to renew each licensee's appointment after the expiration date of the appointment, but before the licensee's appointment is cancelled.

-"Department" means the Florida Department of Financial Services.

-"License" shall be as defined in Section 626.015 and 648.279, F.S.

-"License Issue Month" means the month in which the person or entity was first licensed by the Department. The license issue month is the month during which all appointments shall expire and be subject to renewal in accordance with the Florida Insurance Code and this rule.

"Renewal" shall mean the continuation of an existing appointment for an additional period of time.

"Renewal notice" means an electronic notification sent by the Department to the appointing entity for its use in notifying the Department of persons to be renewed or not renewed.

Term of appointments
In the case of natural persons, new appointments or appointments being continued, which are effectuated in a licensee's birth month, shall expire 24 months later on the last day of the licensee's birth month and shall be subject to renewal at that time by the entity for which they are appointed pursuant to the filing deadlines prescribed in subsections (6) and (7), below, and every 24 months thereafter unless suspended, revoked, or otherwise terminated at an earlier date.

In the case of entities other than natural persons, new appointments or appointments being

continued, which are effectuated in the same month a licensee was first licensed as an insurance representative, shall expire 24 months later on the last day of the licensee's license issue month and shall be subject to renewal at that time by the entity for which they are appointed pursuant to the filing deadlines prescribed in subsections (6) and (7), below, and every 24 months thereafter unless suspended, revoked, or otherwise terminated at an earlier date.

Appointments effectuated during any month other than the licensee's birth month in the case of natural persons, or during the license issue month in the case of entities other than natural persons, shall be valid for not less than 24 months and no longer than 36 months, which are the minimum and maximum number of months necessary to convert the original issue month to the licensee's birth month or license issue month, whichever the case may be, and expiring the last day of the licensee's birth month or license issue month, whichever is applicable, and shall be subject to renewal at that time by the entity for which the licensee is appointed pursuant to the filing deadlines prescribed in subsections (6) and (7), below, and every 24 months thereafter unless suspended, revoked, or otherwise terminated at an earlier date.

Renewal Fees
All appointment renewal fees and taxes as prescribed in Section 624.501, F.S., shall be submitted via the Department's online appointment system at https://iportal.fldfs.com/eappoint/ and paid by electronic payment prior to any appointments being renewed. However, appointments for bail bond agents shall be submitted on a form prescribed by Rule 69B-221.115, F.A.C., and paid via a paper check. All checks shall be made payable to the "Florida Department of Financial Services."

Failure by an appointing entity to submit and pay the renewal invoice with the required renewal fees by the prescribed renewal date deadlines set forth by statute and in this rule will require the payment of an additional $20 delinquency fee and a $5 continuation fee by the appointing entity for each person listed on the renewal notice. The appointing entity shall have 45 days from the last day of the renewal period to renew a licensee's appointment late and pursuant to payment of the normal appointment fee, the delinquency fee and the continuation fee. Otherwise the licensee's appointment will be cancelled.

Filing dates
The Department shall send an electronic notification to the appointing entity to the email address on record with the Department at least 90 days prior to the expiration date of an appointment. Simultaneously, the renewal notice shall be sent to the appointing entity's account in the Department's online appointment system.

The Department shall send an electronic notification to the appointing entity to the email address on record with the Department on the first day of the appointment renewal month letting the appointing entity know it can submit and pay the amount indicated on the renewal invoice. The appointing entity shall have from the first day of the renewal month to the last day of the renewal month to submit and pay for the renewal invoice without being assessed the delinquency fee and continuation fee. For example, on March 1, appointing entities may be notified they have until March 31 to submit and pay for renewal invoices without being assessed the delinquency fee and continuation fee.

If an appointing entity fails to renew an appointment during the renewal month, the Department shall send an electronic notification to the appointing entity to the email address on record with the Department on the first day of the month following an appointment expiration date informing the appointing entity it has 45 days to renew the appointment. If a renewal invoice is paid during this 45-day period, the appointing entity shall pay, in addition to the normal appointment fee, a delinquency fee and a continuation fee per appointment. For example, on April 1, appointing entities who failed to submit and pay for their March renewal invoice shall be notified by the Department that they have 45 days to renew appointments with a March 31 expiration date by paying a delinquency fee and a continuation fee per appointment.

If an appointing entity fails to renew an appointment during the renewal month or in the 45-day late renewal period immediately following the renewal month, the Department shall send an electronic notification to the appointing entity to the email address on record with the Department on the first day after the 45-day late renewal period informing the appointing entity that the appointment was not renewed and has been cancelled. The licensee whose appointment was cancelled shall also receive such electronic notification at the email address on record with the Department. If the appointing entity desires to re-appoint the licensee, the appointing entity must submit a new appointment via the Department's online appointment system. New appointments shall be dated effective when services are first provided by the appointee to the appointing entity or the first day after cancellation of a prior appointment if services have been continuously provided by the appointee. If the new appointment's requested effective date is more than 45 days earlier than the date it is submitted to the Department, the appointing entity will be assessed a $250 original appointment delinquency fee per appointment. For example, on May 16, appointing entities who failed to submit and pay their March renewal invoice during the month of March or during the 45-day late renewal period ending May 15, shall be sent an electronic notification by the Department informing them they must submit new appointments if they desire to appoint their licensees whose appointments expired March 31.

During the periods described in paragraphs (a), (b) and (c) above, an appointing entity may elect to not renew an appointment. During the same periods, in order to renew a licensee's appointment the licensee's email, home, business and mailing addresses must be valid in the Department's records. If the licensee is indicated on the renewal invoice as having invalid addresses on record with the Department, the licensee must update the invalid addresses in order for the appointing entity to renew the licensee's appointment.

Notification procedures. The renewal notice sent to the appointing entity must be completed in its entirety. The certification shall be signed by the appropriate official for the appointing entity.

69B-211.005 Fees
The Department is authorized to charge certain fees payable by applicants and others, in amounts sufficient to cover the actual cost of the service provided. The Department has determined the costs of the following services:

-Fingerprint processing fee for each fingerprint card submitted $64
-Exam fee for each exam scheduled $56

The fees listed in subsection (1), above, shall be made payable to the "Florida Department of Financial Services." The fees are payable in advance of the service provided and are not refundable.

69B-211.007 Effective Date of Termination of Appointment
When an appointing entity terminates the appointment of an appointee in accordance with Section 626.471(4), Florida Statutes, and files written notice of such termination with the Department in accordance with Section 626.471(4), Florida Statutes, the Department shall terminate the appointment in accordance with Section 626.471(5), Florida Statutes. The date of such termination on Department records shall be the effective date of such termination as indicated by the appointing entity in its filing with the Department or, if no date is indicated, the date on which the Department received the filing.

When an appointee terminates the appointment with an appointing entity in accordance with Section 626.471(4), Florida Statutes, and files written notice of such termination with the Department in accordance with Section 626.471(4), Florida Statutes, the Department shall terminate the appointment in accordance with Section 626.471(5), Florida Statutes. The date of such termination on Department records shall be the effective date of such termination as

indicated by the appointee on their filing with the Department or, if no date is indicated, the date on which the Department received the filing.

With respect to contracts currently in force the provisions of this rule shall be subject to the appointee's contract rights.

Insurance Agency Licensing

626.015 Definitions
As used in this part:

> "Agent" means a general lines agent, life agent, health agent, or title agent, or all such agents, as indicated by context. The term "agent" includes an insurance producer or producer, but does not include a customer representative, limited customer representative, or service representative.
>
> "Appointment" means the authority given by an insurer or employer to a licensee to transact insurance or adjust claims on behalf of an insurer or employer.
>
> "Home state" means the District of Columbia and any state or territory of the United States in which an agent or adjuster maintains his or her principal place of residence or principal place of business and is licensed to act as an insurance agent or adjuster.
>
> "Insurance agency" means a business location at which an individual, firm, partnership, corporation, association, or other entity, other than an employee of the individual, firm, partnership, corporation, association, or other entity and other than an insurer as defined by s. 624.03 or an adjuster as defined by subsection (1), engages in any activity or employs individuals to engage in any activity which by law may be performed only by a licensed insurance agent.
>
> "License" means a document issued by the department or office authorizing a person to be appointed to transact insurance or adjust claims for the kind, line, or class of insurance identified in the document.
>
> "Line of authority" means a kind, line, or class of insurance an agent is authorized to transact."
>
> "Resident" means an individual whose home state is the State of Florida.
>
> "Uniform application" means the uniform application of the National Association of Insurance Commissioners for nonresident agent licensing or subsequent versions adopted by rule by the department.

626.172 Insurance Agency Licensing
The department may issue a license as an insurance agency to any person only after such person files a written application with the department and qualifies for such license.

An application for an insurance agency license shall be signed by the owner or owners of the agency. If the agency is incorporated, the application shall be signed by the president and secretary of the corporation. The application for an insurance agency license shall include:

> -The name of each majority owner, partner, officer, and director of the insurance agency.
>
> -The residence address of each person required to be listed in the application under paragraph (a).

-The name of the insurance agency and its principal business address.

-The location of each agency office and the name under which each agency office conducts or will conduct business.

-The name of each agent to be in full-time charge of an agency office and specification of which office.

-The fingerprints of each of the following:
-A sole proprietor;
-Each partner;
-Each owner of an unincorporated agency;
-Each owner who directs or participates in the management or control of an incorporated agency whose shares are not traded on a securities exchange;
-The president, senior vice presidents, treasurer, secretary, and directors of the agency; and
-Any other person who directs or participates in the management or control of the agency, whether through the ownership of voting securities, by contract, or otherwise.

-Such additional information as the department requires by rule to ascertain the trustworthiness and competence of persons required to be listed on the application and to ascertain that such persons meet the requirements of this code. However, the department may not require that credit or character reports be submitted for persons required to be listed on the application.

Fingerprints must be taken by a law enforcement agency or other entity approved by the department and must be accompanied by the fingerprint processing fee and fingerprints shall be processed in accordance with existing regulations. However, fingerprints need not be filed for any individual who is currently licensed and appointed under this chapter. This paragraph does not apply to corporations whose voting shares are traded on a securities exchange.

The licensure. The department may adopt by rule revised versions of the uniform application. The department must accept the uniform application for nonresident agency 4. The department must issue a license to each agency upon approval of the application, and each agency location must display the license prominently in a manner that makes it clearly visible to any customer or potential customer who enters the agency location.

626.602 Insurance agency names; disapproval
The department may disapprove the use of any true or fictitious name, other than the bona fide natural name of an individual, by any insurance agency on any of the following grounds:

-The name interferes with or is too similar to a name already filed and in use by another agency or insurer.

-The use of the name may mislead the public in any respect.

-The name states or implies that the agency is an insurer, motor club, hospital service plan, state or federal agency, charitable organization, or entity that primarily provides advice and counsel rather than sells or solicits insurance, or is entitled to engage in insurance activities not permitted under licenses held or applied for. This provision does not prohibit the use of the word "state" or "states" in the name of the agency. The use of the word "state" or "states" in the name of an agency does not in and of itself imply that

the agency is a state agency.

626.747 Branch agencies
Each branch place of business established by an agent or agency, firm, corporation, or association shall be in the active full-time charge of a licensed general lines agent or life or health agent who is appointed to represent one or more insurers. Any agent or agency, firm, corporation, or association which has established one or more branch places of business shall be required to have at least one licensed general lines agent who is appointed to represent one or more insurers at each location of the agency including its headquarters location.

Notwithstanding paragraph (a), the licensed agent in charge of an insurance agency may also be the agent in charge of additional branch office locations of the agency if insurance activities requiring licensure as an insurance agent do not occur at any location when the agent is not physically present and unlicensed employees at the location do not engage in any insurance activities requiring licensure as an insurance agent or customer service representative.

If the agent or agency establishes places of business in more than one county, additional county tax is payable as provided in s. 624.505.

Division of Insurance Agents and Agency Services - HB 633
House Bill 633 amends the insurance agency licensure law. Among other changes, the bill:

-Eliminates the insurance agency licensing requirement for agencies owned and operated by a single licensed agent under certain conditions. Allows third parties to sign agency applications. Specifies circumstances under which branch agencies do not have to be licensed. Repeals provision allowing insurance agencies to obtain a registration in lieu of a license; converts all agency registrations to licenses; eliminates the three-year expiration period for agency licenses.

-Repeals current law governing branch agencies, creates s. 626.0428(4), F.S., to define agent in charge and specifies responsibilities. Provides for agency licenses to automatically expire if the agency does not designate a new agent in charge with the Department of Financial Services (DFS) within 90 days after the agent in charge on record has left the agency.

-Creates a new type of insurance agent, an unaffiliated insurance agent, and specifies the scope of the license. Requires DFS to immediately suspend the license or appointment of licensees charged with crimes that would preclude them from applying for licensure from DFS. Bars applicants for licensure with sealed or expunged criminal history records from denying or failing to acknowledge arrests covered by these records.

-Exempts members of the United States Armed Forces, their spouses, and veterans who have retired within 24 months from the application filing fee for specified licenses. Requires agents who recommend the surrender of an annuity or life insurance policy to provide financial information to the consumer.

-Amends eligibility requirements for mediators under alternative dispute resolution programs administered by DFS; requires DFS to deny an application to be a mediator or neutral evaluator (sinkhole claims) or revoke or suspend a mediator or neutral evaluator in certain circumstances.

-Authorizes DFS to investigate improper conduct of mediators, neutral evaluators, and navigators. In all cases, permits DFS to share investigative information with any regulatory agency. Amends requirements for licensure as a nonresident surplus lines agent.

-Authorizes additional methods for service of process in certain administrative actions.

-Deletes requirement that applicants who take a licensure examination in Spanish must pay all associated costs.

TRANSFER, SURRENDER AND TERMINATION OF LICENSING

626.292 Transfer of license from another state
An individual licensed in good standing in another state may apply to the department to have the license transferred to this state to obtain a resident agent or all-lines adjuster license for the same lines of authority covered by the license in the other state.

To qualify for a license transfer, an individual applicant must meet the following requirements:

-The individual must become a resident of this state.

-The individual must have been licensed in another state for a minimum of 1 year immediately preceding the date the individual became a resident of this state.

-The individual must submit a completed application for this state which is received by the department within 90 days after the date the individual became a resident of this state, along with payment of the applicable fees set forth in s. 624.501 and submission of the following documents:

-A certification issued by the appropriate official of the applicant's home state identifying the type of license and lines of authority under the license and stating that, at the time the license from the home state was canceled, the applicant was in good standing in that state or that the state's Producer Database records, maintained by the National Association of Insurance Commissioners, its affiliates, or subsidiaries, indicate that the agent or all-lines adjuster is or was licensed in good standing for the line of authority requested.

-A set of the applicant's fingerprints in accordance with s. 626.171(4).

-The individual must satisfy prelicensing education requirements in this state, unless the completion of prelicensing education requirements was a prerequisite for licensure in the other state and the prelicensing education requirements in the other state are substantially equivalent to the prelicensing requirements of this state as determined by the department.

-The individual must satisfy the examination requirement under s. 626.221, unless exempted.

An applicant satisfying the requirements for a license transfer under subsection (2) shall be approved for licensure in this state unless the department finds that grounds exist under s. 626.611or s. 626.621 for refusal, suspension, or revocation of a license.

626.641 Duration of suspension or revocation
The department shall, in its order suspending a license or appointment or in its order suspending the eligibility of a person to hold or apply for such license or appointment, specify the period during which the suspension is to be in effect; but such period shall not exceed 2 years. The license, appointment, or eligibility shall remain suspended during the period so specified, subject, however, to any rescission or modification of the order by the department, or modification or reversal thereof by the court, prior to expiration of the suspension period. A license, appointment, or eligibility that has been suspended shall not be reinstated except upon the filing and approval of an application for reinstatement and, in the case of a second suspension, completion of

continuing education courses prescribed and approved by the department; but the department shall not approve an application for reinstatement if it finds that the circumstance or circumstances for which the license, appointment, or eligibility was suspended still exist or are likely to recur. In addition, an application for reinstatement is subject to denial and subject to a waiting period prior to approval on the same grounds that apply to applications for licensure (§§ 626.207, 626.611, 626.621, and 626.8698).

No person or appointee under any license or appointment revoked by the department, nor any person whose eligibility to hold same has been revoked by the department, shall have the right to apply for another license or appointment under this code within 2 years from the effective date of such revocation or, if judicial review of such revocation is sought, within 2 years from the date of final court order or decree affirming the revocation. An applicant for another license or appointment pursuant to this subsection must apply and qualify for licensure in the same manner as a first-time applicant, and the application may be denied on the same grounds that apply to first-time applicants for licensure (§§ 626.207, 626.611,626.621). In addition, the department shall not grant a new license or appointment or reinstate eligibility to hold such license or appointment if it finds that the circumstance or circumstances for which the eligibility was revoked or for which the previous license or appointment was revoked still exist or are likely to recur; if an individual's license as agent or customer representative or eligibility to hold same has been revoked upon specific regulations (§ 611(12)), the department shall refuse to grant or issue any new license or appointment so applied for.

If licenses as agent or customer representative, or the eligibility to hold same, as to the same individual have been revoked at two separate times, the department shall not thereafter grant or issue any license under this code as to such individual.

During the period of suspension or revocation of the license or appointment, the former licensee or appointee shall not engage in or attempt or profess to engage in any transaction or business for which a license or appointment is required under this code or directly or indirectly own, control, or be employed in any manner by any insurance agent or agency or adjuster or adjusting firm.

626.661 Surrender of license
Though issued to a licensee, all licenses issued under this chapter are at all times the property of the State of Florida; and, upon notice of any suspension, revocation, refusal to renew, failure to renew, expiration, or other termination of the license, such license shall no longer be in force and effect.

This section shall not be deemed to require the surrender to the department of any license unless such surrender has been requested by the department.

Contact Information
626.541 Firm, corporate, and business names; officers; associates; notice of changes
Any licensed agent or adjuster doing business under a firm or corporate name or under any business name other than his or her own individual name shall, within 30 days after the initial transaction of insurance under such business name, file with the department, on forms adopted and furnished by the department, a written statement of the firm, corporate, or business name being so used, the address of any office or offices or places of business making use of such name, and the name and social security number of each officer and director of the corporation and of each individual associated in such firm or corporation as to the insurance transactions thereof or in the use of such business name.

In the event of any change of such name, or of any of the officers and directors, or of any of such addresses, or in the personnel so associated, written notice of such change must be filed with the department within 30 days by or on behalf of those licensees terminating any such firm,

corporate, or business name or continuing to operate thereunder.

Any licensed insurance agency shall, within 30 days after a change, notify the department of any change in the information contained in the application filed pursuant to s. 626.172.

626.551 Notice of change of address, name
A licensee must notify the department, in writing, within 30 days after a change of name, residence address, principal business street address, mailing address, contact telephone numbers, including a business telephone number, or e-mail address. A licensee who has moved his or her principal place of residence and principal place of business from this state shall have his or her license and all appointments immediately terminated by the department. Failure to notify the department within the required time shall result in a fine not to exceed $250 for the first offense and a fine of at least $500 or suspension or revocation of the license pursuant to s. 626.611, s. 626.6115, s. 626.621, or s. 626.6215 for a subsequent offense.

NONRESIDENT
A nonresident who must complete continuing education requirements in his or her home state may use the home state requirements to meet this state's continuing education requirements as well, if the resident's state recognizes reciprocity with this state's continuing education requirements. A nonresident whose home state does not have a continuing education requirement but is licensed for the same class of business in another state which does have a continuing education requirement may comply with this section by furnishing proof of compliance with the other state's requirement if that state has a reciprocal agreement with this state relative to continuing education. A nonresident whose home state does not have such continuing education requirements, and who is not licensed as a nonresident agent in a state that has continuing education requirements and reciprocates with this state, must meet the continuing education requirements of this state.

DUTIES OF LICENSED VS. UNLICESED PERSONNEL

626.0428 Agency personnel powers, duties, and limitations
An individual employed by an agent or agency on salary who devotes full time to clerical work, with incidental taking of insurance applications or quoting or receiving premiums on incoming inquiries in the office of the agent or agency, is not deemed to be an agent or customer representative if his or her compensation does not include in whole or in part any commissions on such business and is not related to the production of applications, insurance, or premiums.

An employee of an agent or agency may not bind insurance coverage unless licensed and appointed as an agent or customer representative.

An employee of an agent or agency may not initiate contact with any person for the purpose of soliciting insurance unless licensed and appointed as an agent or customer representative. As to title insurance, an employee of an agent or agency may not initiate contact with any individual proposed insured for the purpose of soliciting title insurance unless licensed as a title insurance agent or exempt from such licensure pursuant to s. 626.8417(4).

626.8305 Prohibition against the unlicensed transaction of health insurance
Except as provided in s. 626.112(6), with respect to any line of authority specified in s. 626.015(6), no individual shall, unless licensed as a health agent:

-Solicit insurance or procure applications; or

-In this state, engage or hold himself or herself out as engaging in the business of analyzing or abstracting insurance policies or of counseling or advising or giving opinions to persons relative to insurance contracts other than: a. As a consulting actuary advising

insurers; or b. As to the counseling and advising of labor unions, associations, trustees, employers, or other business entities, the subsidiaries and affiliates of each, relative to their interests and those of their members or employees under insurance benefit plans.

626.838 Unlawful payment or sharing of commissions
No health insurer or licensed health agent shall pay directly or indirectly any commission or other valuable consideration to any person for services as a health insurance agent within this state, unless such person holds a currently valid license and appointment to act as a health insurance agent as required by the laws of this state; except that a health insurer may pay such commission or other valuable consideration to, and a licensed and appointed health insurance agent may share any commission or other valuable consideration with, an incorporated insurance agency in which all employees, stockholders, directors, or officers who solicit, negotiate, or effectuate health insurance contracts are qualified health insurance agents holding currently valid licenses and appointments.

No person other than a licensed and appointed health agent shall accept any such commission or other valuable consideration, except as provided in subsection

This section shall not prevent the payment or receipt of renewal or other deferred commissions or pensions to or by any person solely because such person has ceased to hold a license or appointment to act as a health insurance agent and shall not prevent the payment of renewal or other deferred commissions to any incorporated insurance agency solely because any of its stockholders has ceased to hold a license or appointment to act as a health insurance agent.

Section 624.11(a), Florida Statutes, states, "No person shall transact insurance in this state, or relative to a subject of insurance resident, located, or to be performed in this state, without complying with the applicable provisions of [the] code."

Section 626.112(1)(a) Florida Statutes states, "No person may be, act as, or advertise or hold himself or herself out to be an insurance agent ... unless he or she is currently licensed by the department and appointed by an appropriate appointing entity or person. ..."

Section 626.112(1)(b) Florida Statutes states in part, "the solicitation of insurance is the attempt to persuade any person to purchase an insurance product by:

-Describing the benefits or terms of insurance coverage, including premiums or rates of return;

-Distributing an invitation to contract to prospective purchasers;

-Making general or specific recommendations as to insurance products;

-Completing orders or applications for insurance products;

-Comparing insurance products, advising as to insurance matters, or interpreting policies or coverages;

Section 626.112(9) states, "Any person who knowingly transacts insurance or otherwise engages in insurance activities in this state without a license in violation of this section commits a felony of the third degree. …"

Qualifications for license (§ 626.785)
The department shall not grant or issue a license as agent to any individual found by it to be untrustworthy or incompetent, or who does not meet the following qualifications:

-Must be a natural person of at least 18 years of age.

-Must be a United States citizen or legal alien who possesses work authorization from the United States Bureau of Citizenship and Immigration Services and a bona fide resident of this state.

-Must not be an employee of the United States Department of Veterans Affairs or state service office.

-Must take and pass any examination for license required (under § 626.221).

Examination requirement; exemptions (§ 626.221)
The department shall not issue any license as agent, to any individual who has not qualified for, taken, and passed to the satisfaction of the department a written examination (of the scope prescribed in § 626.241).

However, an examination is not necessary for any of the following:

-An applicant for renewal of appointment as an agent, unless the department determines that an examination is necessary to establish the competence or trustworthiness of the applicant.

-An applicant for a limited license as agent for travel insurance, motor vehicle rental insurance, credit insurance, in-transit and storage personal property insurance, or portable electronics insurance (per § 626.321 discussed below).

Application for license as an agent, customer representative, service representative, managing general agent, or reinsurance intermediary (§ 626.171)

An applicant for a license as an agent, customer representative, service representative, managing general agent, or reinsurance intermediary must submit a set of the individual applicant's fingerprints, or, if the applicant is not an individual, a set of the fingerprints of the sole proprietor, majority owner, partners, officers, and directors, to the department and must Pay the fingerprint processing shall only apply to the officers and directors of the entity submitting the application. Obtain a license for each office, branch office, or place of business making use of the entity's business name by applying to the department for the license on a simplified application form developed by rule of the department for this purpose.

Pay the applicable fees for a license, be appointed, and pay the prescribed appointment fee. A licensed and appointed entity shall be directly responsible and accountable for all acts of the licensee's employees.

The limitations of any license issued under this section shall be expressed therein. The licensee shall have a separate and additional appointment as to each insurer represented.

Except as otherwise expressly provided, a person applying for or holding a limited license is subject to the same applicable requirements and responsibilities that apply to general lines agents in general if licensed as to motor vehicle physical damage and mechanical breakdown insurance, industrial fire insurance or burglary insurance, motor vehicle rental insurance, credit insurance, crop hail and multiple-peril crop insurance, in-transit and storage personal property insurance, or portable electronics insurance; or as apply to health agents in general, as applicable, if licensed as to travel insurance.

Nothing in this section shall permit the sale of an insurance policy or certificate for any limited class of business in a category identified under subsection (1) by a person or entity other than an

insurance policy or certificate offered by an authorized insurer in this state or an eligible surplus lines insurer in this state.

REINSTATEMENT OF LICENSE
A reinstatement of a license will be approved provided In the discretion of the department, an applicant for reinstatement of license or appointment as an agent, whose license has been suspended within the 4 years before the date of application or written request for reinstatement. An applicant who, within the 4 years before application for license and appointment as an agent, was a full-time salaried employee of the department who had responsible insurance duties for at least 2 continuous years and who had been a licensee within the 4 years before employment by the department with the same class of license as that being applied for.

An applicant for a temporary license, except as otherwise provided in this code. An applicant for a license as a life or health agent who has received the designation of chartered life underwriter (CLU) from the American College of Life Underwriters and has been engaged in the insurance business within the past 4 years, except that the applicant may be examined on pertinent provisions of this code. An applicant qualifying for a license may transfer under § 626.292 [transfer of license from another state] if the applicant: Has successfully completed the prelicensing examination requirements in the applicant's previous home state which are substantially equivalent to the examination requirements in this state, as determined by the department; or

An applicant for a license as a nonresident agent if the applicant:

> -Has successfully completed prelicensing examination requirements in the applicant's home state which are substantially equivalent to the examination requirements in this state, as determined by the department, as a requirement for obtaining a resident license in his or her home state;
>
> -Held a health agent license before a written examination was required; or
>
> -An individual who is already licensed as a customer representative shall not be licensed as a general lines agent without application and examination for such license.

An individual who is qualified as to knowledge, experience, or instruction in the business of insurance and meet the requirements relative thereto (provided in § 626.7851) may be licensed.'

Purpose of Health Insurance license
The purpose of a license issued under this code to a health agent is to authorize and enable the licensee actively and in good faith to engage in the insurance business as such an agent with respect to the general public and to facilitate the public supervision of such activities in the public interest, and not for the purpose of enabling the licensee to receive an unlawful rebate of premium in the form of commission or other compensation as an agent or enabling the licensee to receive commissions or other compensation based upon insurance solicited or procured by or through the licensee upon his or her own interests or upon those of other persons with whom he or she is closely associated in capacities other than as an insurance agent.

The department shall not grant, renew, continue, or permit to exist any license or appointment as a health agent as to any applicant therefore or licensee or appointee thereunder if it finds that the license or appointment has been or is being or will be used by the applicant, licensee, or appointee not for the purpose of holding himself or herself out to the general public as a health agent, but principally for the purpose of soliciting, negotiating, handling or procuring "controlled business," that is, health insurance covering himself or herself or family members; the officers, directors, stockholders, partners, employees, or debtors of a partnership, association, or

corporation of which he or she or a family member is an officer, director, stockholder, partner, or employee; or members of an association of which he or she is a director, officer, or employee.

A violation of this section shall be deemed to exist or be probable if the department finds that during a 12-month period the premium writings represented by such controlled business insurance contracts signed, countersigned, issued, or sold by the licensee have been, or in the case of an applicant for appointment, probably will be under circumstances found by the department to exist, in excess of premium writings during the same period by the appointee or proposed appointee as represented by health insurance contracts to the general public other than the classes of persons above classified as controlled business.

(This section shall not be deemed to prohibit the licensing and appointing of any person employed by or associated with a lending or financing institution, with respect to insurance only, under or disability insurance policies of borrowers from such institution or creditor.)

A Health Insurance Agent license shall not be issued or renewed if the applicant is guilty of Willful failure to comply with, or willful violation of, any proper order or rule of the department or willful violation of any provision of this code. Having been found guilty of or having pleaded guilty or nolo contendere to a felony or a crime punishable by imprisonment of 1 year or more under the law of the United States of America or of any state thereof or under the law of any other country which involves moral turpitude, without regard to whether a judgment of conviction has been entered by the court having jurisdiction of such cases.

Fraudulent or dishonest practice in submitting or aiding or abetting any person in the submission of an application for workers' compensation coverage under chapter 440 containing false or misleading information as to employee payroll or classification for the purpose of avoiding or reducing the amount of premium due for such coverage. Sale of an unregistered security that was required to be registered, pursuant to chapter 517.

GROUNDS FOR COMPULSORY/DISCRETIONARY REFUSAL, SUSPENSION, OR REVOCATION OF INSURANCE LICENSE/AGENCY LICENSE/APPOINTMENT

626.611 Grounds for compulsory refusal, suspension, or revocation of agent's, title agency's, adjuster's, customer representative's, service representative's, or managing general agent's license or appointment

The department shall deny an application for, suspend, revoke, or refuse to renew or continue the license or appointment of any applicant, agent, title agency, customer representative, service representative, or managing general agent, and it shall suspend or revoke the eligibility to hold a license or appointment of any such person, if it finds that as to the applicant, licensee, or appointee any one or more of the following applicable grounds exist:

-Lack of one or more of the qualifications for the license or appointment as specified in this code.

-Material misstatement, misrepresentation, or fraud in obtaining the license or appointment or in attempting to obtain the license or appointment.

-Failure to pass to the satisfaction of the department any examination required under this code.

-If the license or appointment is willfully used, or to be used, to circumvent any of the requirements or prohibitions of this code.

-Willful misrepresentation of any insurance policy or annuity contract or willful deception

with regard to any such policy or contract, done either in person or by any form of dissemination of information or advertising.

-Demonstrated lack of fitness or trustworthiness to engage in the business of insurance.

-Demonstrated lack of reasonably adequate knowledge and technical competence to engage in the transactions authorized by the license or appointment.

-Fraudulent or dishonest practices in the conduct of business under the license or appointment.

-Misappropriation, conversion, or unlawful withholding of moneys belonging to insurers or insureds or beneficiaries or to others and received in conduct of business under the license or appointment.

-Unlawfully rebating, attempting to unlawfully rebate, or unlawfully dividing or offering to divide his or her commission with another.

-Having obtained or attempted to obtain, or having used or using, a license or appointment as agent or customer representative for the purpose of soliciting or handling "controlled business" as defined in these regulation, § 626.730 with respect to general lines agents, § 626.784 with respect to life agents, and § 626.830 with respect to health agents.

-Willful failure to comply with, or willful violation of, any proper order or rule of the department or willful violation of any provision of this code.

-Having been found guilty of or having pleaded guilty or nolo contendere to a felony or a crime punishable by imprisonment of 1 year or more under the law of the United States of America or of any state thereof or under the law of any other country which involves moral turpitude, without regard to whether a judgment of conviction has been entered by the court having jurisdiction of such cases.

-Fraudulent or dishonest practice in submitting or aiding or abetting any person in the submission of an application for workers' compensation coverage under chapter 440 containing false or misleading information as to employee payroll or classification for the purpose of avoiding or reducing the amount of premium due for such coverage.

-Sale of an unregistered security that was required to be registered, pursuant to chapter 517.

626.6115 Grounds for compulsory refusal, suspension, or revocation of insurance agency license

The department shall deny, suspend, revoke, or refuse to continue the license of any insurance agency if it finds, as to any insurance agency or as to any majority owner, partner, manager, director, officer, or other person who manages or controls such agency, that any of the following applicable grounds exist:

-Lack by the agency of one or more of the qualifications for the license as specified in this code.

-Material misstatement, misrepresentation, or fraud in obtaining the license or in attempting to obtain the license.

-Denial, suspension, or revocation of a license to practice or conduct any regulated

profession, business, or vocation relating to the business of insurance by this state, any other state, any nation, any possession or district of the United States, any court, or any lawful agency thereof. However, the existence of grounds for administrative action against a licensed agency does not constitute grounds for action against any other licensed agency, including an agency that owns, is under common ownership with, or is owned by, in whole or in part, the agency for which grounds for administrative action exist.

626.621 Grounds for discretionary refusal, suspension, or revocation of agent's, customer representative's, service representative's, or managing general agent's license or appointment

The department may, in its discretion, deny an application for, suspend, revoke, or refuse to renew or continue the license or appointment of any applicant, agent, customer representative, service representative, or managing general agent, and it may suspend or revoke the eligibility to hold a license or appointment of any such person, if it finds that as to the applicant, licensee, or appointee any one or more of the following applicable grounds exist under circumstances for which such denial, suspension, revocation, or refusal is not mandatory under § 626.611:

-Any cause for which issuance of the license or appointment could have been refused had it then existed and been known to the department.

-Violation of any provision of this code or of any other law applicable to the business of insurance in the course of dealing under the license or appointment.

-Violation of any lawful order or rule of the department, commission, or office.

-Failure or refusal, upon demand, to pay over to any insurer he or she represents or has represented any money coming into his or her hands belonging to the insurer.

-Violation of the provision against twisting.

-In the conduct of business under the license or appointment, engaging in unfair methods of competition or in unfair or deceptive acts or practices, as prohibited under part IX of this chapter, or having otherwise shown himself or herself to be a source of injury or loss to the public.

-Willful overinsurance of any health insurance risk.

-Having been found guilty of or having pleaded guilty or nolo contendere to a felony or a crime punishable by imprisonment of 1 year or more under the law of the United States of America or of any state thereof or under the law of any other country, without regard to whether a judgment of conviction has been entered by the court having jurisdiction of such cases.

-If a Health agent, violation of the code of ethics.

-Cheating on an examination required for licensure or violating test center or examination procedures published orally, in writing, or electronically at the test site by authorized representatives of the examination program administrator. Communication of test center and examination procedures must be clearly established and documented.

-Failure to inform the department in writing within 30 days after pleading guilty or nolo contendere to, or being convicted or found guilty of, any felony or a crime punish able by imprisonment of 1 year or more under the law of the United States or of any state thereof, or under the law of any other country without regard to whether a judgment of conviction has been entered by the court having jurisdiction of the case.

-Knowingly aiding, assisting, procuring, advising, or abetting any person in the violation of or to violate a provision of the insurance code or any order or rule of the department, commission, or office.

-Has been the subject of or has had a license, permit, appointment, registration, or other authority to conduct business subject to any decision, finding, injunction, suspension, prohibition, revocation, denial, judgment, final agency action, or administrative order by any court or competent jurisdiction, administrative law proceeding, state agency, federal agency, national securities, commodities, or option exchange, or national securities, commodities, or option association involving a violation of any federal or state securities or commodities law or any rule or regulation adopted thereunder, or a violation of any rules or regulation of any national securities, commodities or options exchange or national securities, commodities, or options association.

-Failure to comply with any civil, criminal, or administrative action taken by the child support enforcement program under Title IV-D of the Social Security Act, 43 U.S.C. ss. 651 et seq., to determine paternity or to establish, modify, enforce or collect support.

626.6215 Grounds for discretionary refusal, suspension, or revocation of insurance agency license

The department may, in its discretion, deny, suspend, revoke, or refuse to continue the license of any insurance agency if it finds, as to any insurance agency or as to any majority owner, partner, manager, director, officer, or other person who manages or controls such insurance agency, that any one or more of the following applicable grounds exist:

-Any cause for which issuance of the license could have been refused had it then existed and been known to the department.

-If the license is used, or to be used, to circumvent any of the requirements or prohibitions of this code.

-Having been found guilty of, or having pleaded guilty or nolo contendere to, a felony in this state or any other state relating to the business of insurance or an insurance agency, without regard to whether a judgment of conviction has been entered by the court having jurisdiction of such cases.

-Knowingly employing any individual in a managerial capacity or in a capacity dealing with the public who is under an order of revocation or suspension issued by the department.

-Committing any of the following acts with such frequency as to have made the operation of the agency hazardous to the insurance-buying public or other persons:

-Misappropriation, conversion, or unlawful withholding of moneys belonging to insurers or insureds or beneficiaries or to others and received in the conduct of business under the license.

-Unlawfully rebating, attempting to unlawfully rebate, or unlawfully dividing or offering to divide commissions with another.

-Misrepresentation of any insurance policy or annuity contract, or deception with regard to any such policy or contract, done either in person or by any form of dissemination of information or advertising.

-Violation of any provision of this code or of any other law applicable to the business

of insurance in the course of dealing under the license.

-Violation of any lawful order or rule of the department.

-Failure or refusal, upon demand, to pay over to any insurer he or she represents or has represented any money coming into his or her hands belonging to the insurer.

-Violation of the provision against twisting as defined in § 626.9541(1)(l).
In the conduct of business under the license, engaging in unfair methods of competition or in unfair or deceptive acts or practices as prohibited under part IX of this chapter.

-Fraudulent or dishonest practices in the conduct of business arising out of activities related to insurance or the insurance agency.

-Demonstrated lack of fitness or trustworthiness to engage in the business of insurance arising out of activities related to insurance or the insurance agency.

Failure to take corrective action or report a violation to the department within 30 days after an individual licensee's violation is known or should have been known by one or more of the partners, officers, or managers acting on behalf of the agency. However, the existence of grounds for administrative action against a licensed agency does not constitute grounds for action against any other licensed agency, including an agency that owns, is under common ownership with, or is owned by, in whole or in part, the agency for which grounds for administrative action exist.

626.681 Administrative fine in lieu of or in addition to suspension, revocation, or refusal of license, appointment, or disapproval
Except as to insurance agencies, if the department finds that one or more grounds exist for the suspension, revocation, or refusal to issue, renew, or continue any license or appointment issued under this chapter, or disapproval of a continuing education course provider, instructor, school official, or monitor groups, the department may, in its discretion, in lieu of or in addition to such suspension or revocation, or in lieu of such refusal, or disapproval, and except on a second offense or when such suspension, revocation, or refusal is mandatory, impose upon the licensee, appointee, course provider, instructor, school official, or monitor group an administrative penalty in an amount up to $500 or, if the department has found willful misconduct or willful violation on the part of the licensee, appointee, course provider, instructor, school official, or monitor group up to $3,500. The administrative penalty may, in the discretion of the department, be augmented by an amount equal to any commissions received by or accruing to the credit of the licensee or appointee in connection with any transaction as to which the grounds for suspension, revocation, or refusal related.

With respect to insurance agencies, if the department finds that one or more grounds exist for the suspension, revocation, or refusal to issue, renew, or continue any license issued under this chapter, the department may, in its discretion, in lieu of or in addition to such suspension or revocation, or in lieu of such refusal, impose upon the licensee an administrative penalty in an amount not to exceed $10,000 per violation. The administrative penalty may, in the discretion of the department, be augmented by an amount equal to any commissions received by or accruing to the credit of the licensee in connection with any transaction as to which the grounds for suspension, revocation, or refusal related.

The department may allow the licensee, appointee, or continuing education course provider, instructor, school official, or monitor group a reasonable period, not to exceed 30 days, within which to pay to the department the amount of the penalty so imposed. If the licensee, appointee, course provider, instructor, school official, or monitor group fails to pay the penalty in its entirety to the department within the period so allowed, the license, appointments, approval, or status of

that person shall stand suspended or revoked or issuance, renewal, or continuation shall be refused, as the case may be, upon expiration of such period.

626.691 Probation
If the department finds that one or more grounds exist for the suspension, revocation, or refusal to renew or continue any license or appointment issued under this part, the department may, in its discretion, except when an administrative fine is not permissible under s. 626.681 or when such suspension, revocation, or refusal is mandatory, in lieu of or in addition to such suspension or revocation, or in lieu of such refusal, or in connection with any administrative monetary penalty imposed under s. 626.681, place the offending licensee or appointee on probation for a period, not to exceed 2 years, as specified by the department in its order.
As a condition to such probation or in connection therewith, the department may specify in its order reasonable terms and conditions to be fulfilled by the probationer during the probation period. If during the probation period the department has good cause to believe that the probationer has violated a term or condition, it shall suspend, revoke, or refuse to issue, renew, or continue the license or appointment of the probationer, as upon the original grounds referred to in subsection (1).

626.692 Restitution
If any ground exists for the suspension, revocation, or refusal of a license or appointment, the department may, in addition to any other penalty authorized under this chapter, order the licensee to pay restitution to any person who has been deprived of money by the licensee's misappropriation, conversion, or unlawful withholding of moneys belonging to insurers, insureds, beneficiaries, or others. In no instance shall the amount of restitution required to be paid under this section exceed the amount of money misappropriated, converted, or unlawfully withheld. Nothing in this section limits or restricts a person's right to seek other remedies as provided for by law.

Chapter 3 Disciplinary & Industry Trends

Recent Violations & Enforcement Actions Of Florida Licensed Insurance Professionals
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: Investigators received a complaint from an insurance company alleging a health agent had failed to forward premiums paid by a commercial insured.

Investigators determined the agent was operating an insurance agency from her home and had only one client, a large petroleum hauler company. The agent billed premiums to the hauling company each month, which submitted premium checks payable to the agency. In an attempt to deflect suspicion, the agent intermittently remitted premiums to the insurer then skipped a few payments then start paying them again. This payment/non-payment cycle allowed her to conceal the theft for a period of time. Investigators proved the agent had withheld premium payments from the insurer 97 times over the course of several years, resulting in the misappropriation of $62,826 in insurance premiums.

Disposition: The agent's and agency's licenses were revoked.

Case: The original source of the complaints against a life, health and variable annuity agent was a combination of referrals from the Department's Division of Consumer Services and another agent. The investigation included an agency inspection, agent and agency staff interviews, affidavits from consumers and meetings with the IRS investigative services division in Miami.

Investigators determined that over a period of months during open enrollment with the Affordable Care Act Marketplace (a/k/a "Obamacare"), the agent devised a unique way to increase sales - she stole the identities of numerous unsuspecting consumers from tax preparation services through a business owned by a family member. The agent then systematically enrolled the individuals in health insurance plans within the Marketplace without their knowledge or consent. The scheme began to unravel when the agent was identified as the producing agent for the fraudulent enrollments.

Disposition: Permanently barred.

Unauthorized Products & Entities Involved In Florida Commerce
Dental Care Alliance (DCA), LLC d/b/a Dentrite Dental Services, Sarasota, Florida Ordered to cease and desist from engaging in the unlicensed business of a discount medical plan organization. DCA offers its Dentrite discount dental plan via its website, www.dentrite.com. Dentrite's plan's participating providers include 4 dental practices which are located at a combined 25 locations in various cities throughout Florida. DCA has never been granted a license to operate in Florida as a discount medical plan organization. This is the second time that DCA has been sanctioned by the Office for engaging in the unlawful transaction of discount medical plans in the state of Florida.

Representing or aiding unauthorized insurer prohibited (Title XXXVII, § 626.901)

If an unauthorized insurer fails to pay in full or in part any claim or loss within the provisions of any insurance contract which is entered into in violation of this section, any person who knew or reasonably should have known that such contract was entered into in violation of this section and who solicited, negotiated, took application for, or effectuated such insurance contract is liable to the insured for the full amount of the claim or loss not paid.

Any insurance contract entered into in violation of this section shall be deemed to have been rendered invalid thereby.

New And Other Important Terminology Applicable To Florida Licensed Health Insurance Professionals

Definitions

"Accredited state" means a state in which the department or agency which regulates insurance has qualified as meeting the minimum financial regulatory standards adopted and established from time to time by the National Association of Insurance Commissioners (NAIC).

"Actuary" means a person who is a member in good standing of the American Academy of Actuaries.

"Administrator" is any person who directly or indirectly solicits or effects coverage of, collects charges or premiums from, or adjusts or settles claims on residents of this state in connection with authorized commercial self-insurance funds or with insured or self- insured programs which provide health insurance coverage or coverage of any other expenses described in § 624.33(1) or any person who, through a health care risk contract (as defined in § 641.234) with an insurer or health maintenance organization, provides billing and collection services to health insurers and health maintenance organizations on behalf of health care providers, other than any of the following persons:

-An employer or wholly owned direct or indirect subsidiary of an employer, on behalf of such employer's employees or the employees of one or more subsidiary or affiliated corporations of such employer.

-A union on behalf of its members.

-An insurance company which is either authorized to transact insurance in this state or is acting as an insurer with respect to a policy lawfully issued and delivered by such company in and pursuant to the laws of a state in which the insurer was authorized to transact an insurance business.

-A health care services plan, health maintenance organization, professional service plan corporation, or person in the business of providing continuing care, possessing a valid certificate of authority issued by the office, and the sales representatives thereof, if the activities of such entity are limited to the activities permitted under the certificate of authority.

-An entity that is affiliated with an insurer and that only performs the contractual duties, between the administrator and the insurer, of an administrator for the direct and assumed insurance business of the affiliated insurer. The insurer is responsible for the acts of the administrator and is responsible for providing all of the administrator's books and records to the insurance commissioner, upon a request from the insurance commissioner. For purposes of this paragraph, the term "insurer" means a licensed insurance company, health maintenance organization, prepaid limited health service organization, or prepaid health clinic.

-A nonresident entity licensed in its state of domicile as an administrator if its duties in this state are limited to the administration of a group policy or plan of insurance and no more than a total of 100 lives for all plans reside in this state.

-An insurance agent licensed in this state whose activities are limited exclusively to the sale of insurance.

-A person licensed as a managing general agent in this state, whose activities are limited exclusively to the scope of activities conveyed under such license.

-A creditor on behalf of such creditors debtors with respect to insurance covering a debt between the creditor and its debtors.

-A trust and its trustees, agents, and employees acting pursuant to such trust established in conformity with 29 U.S.C. § 186.

-A trust exempt from taxation under § 501(a) of the Internal Revenue Code, a trust satisfying the requirements of §§ 624.438 and 624.439, or any governmental trust as defined in § 624.33(3), and the trustees and employees acting pursuant to such trust, or a custodian and its agents and employees, including individuals representing the trustees in overseeing the activities of a service company or administrator, acting pursuant to a custodial account which meets the requirements of § 401(f) of the Internal Revenue Code.

-A financial institution which is subject to supervision or examination by federal or state authorities or a mortgage lender licensed under chapter 494 who collects and remits premiums to licensed insurance agents or authorized insurers concurrently or in connection with mortgage loan payments.

-A credit card issuing company which advances for and collects premiums or charges from its credit card holders who have authorized such collection if such company does not adjust or settle claims.

-A person who adjusts or settles claims in the normal course of such person's practice or employment as an attorney at law and who does not collect charges or premiums in connection with health insurance coverage.

-A person approved by the department who administers only self-insured workers' compensation plans.

-A service company or service agent and its employees, authorized in accordance with §§ 626.895-626.899, serving only a single employer plan, multiple-employer welfare arrangements, or a combination thereof.

-Any provider or group practice (as defined in § 456.053), providing services under the scope of the license of the provider or the member of the group practice.

-Any hospital providing billing, claims, and collection services solely on its own and its physicians' behalf and providing services under the scope of its license.

"Affiliate" or "affiliated" means an entity or person who directly or indirectly through one or more intermediaries controls, is controlled by, or is under common control with a specified entity or person.

"Agent" means a health agent or all such agents, as indicated by context. The term "agent" includes an insurance producer or producer, but does not include a customer representative, limited customer representative, or service representative.

"Appointment" means the authority given by an insurer or employer to a licensee to transact insurance or adjust claims on behalf of an insurer or employer.

"Buyer's guide" means a document which shall contain all the requirements of, and which is in substantial compliance with these regulations.

"Control" or "controlled" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a contract for goods or nonmanagement services, or otherwise. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing 10 percent or more of the outstanding voting securities of any other person. No person shall be deemed to control another person solely by reason of being an officer or director of such other person.

"Controlled insurer" means a licensed insurer which is controlled, directly or indirectly, by a producer.

"Controlling producer" means a producer who, directly or indirectly, controls an insurer.

"Controlling person" means any person, firm, association, or corporation who directly or indirectly has the power to direct or cause to be directed, the management, control, or activities of the reinsurance intermediary.

"Customer representative" means an individual appointed by a general lines agent or agency to assist that agent or agency in transacting the business of insurance from the office of that agent or agency.

"Cash dividend" means the current illustrated dividend which can be applied toward payment of the gross premium.

"Diligent effort" means seeking coverage from and having been rejected by at least three authorized insurers currently writing this type of coverage and documenting these rejections. However, if the residential structure has a dwelling replacement cost of $1 million or more, the term means seeking coverage from and having been rejected by at least one authorized insurer currently writing this type of coverage and documenting this rejection.

"Division" means the Division of Insurance Fraud of the Department of Financial Services. "Eligible surplus lines insurer" means an unauthorized insurer which has been made eligible by the office to issue insurance coverage under this Surplus Lines Law.

"Equivalent level annual dividend" is calculated by applying the following steps:

1. Accumulate the annual cash dividends at 5 percent interest compounded annually to the end of the 10th and the end of the 20th policy years.

2. Divide each accumulation of step 1. under this paragraph by an interest factor that converts it into one, equivalent level annual amount that, if paid at the beginning of each year, would accrue to the values in step 1. under this paragraph over the respective periods stipulated in step 1. under this paragraph. If the period is 10 years, the factor is 13.207; and if the period is 20 years, the factor is 34.719.

3. Divide the results of step 2. under this paragraph by the number of thousands of the equivalent level death benefits to arrive at the equivalent level annual dividend.

"Generic name" means a short title which is descriptive of the premium and benefit patterns of a policy or a rider.

"GAAP" means United States "generally accepted accounting principles" consistently applied.

"Generic name" means a short title which is descriptive of the premium and benefit patterns of a policy or a rider.

"General lines agent" means an agent transacting any one or more of the following kinds of insurance:

-Surety insurance.
-Health insurance, when transacted by an insurer also represented by the same agent as to property or casualty or surety insurance.

"Health agent" means an agent representing a health maintenance organization or, as to health insurance only, an insurer transacting health insurance.

"Holocaust victim" means any person who lost his or her life or property as a result of discriminatory laws, policies, or actions targeted against discrete groups of persons between 1920 and 1945, inclusive, in Nazi Germany, areas occupied by Nazi Germany, or countries allied with Nazi Germany.

"Home state" means the District of Columbia and any state or territory of the United States in which an agent maintains his or her principal place of residence or principal place of business and is licensed to act as an insurance agent.

"Insurance agency" means a business location at which an individual, firm, partnership, corporation, association, or other entity, other than an employee of the individual, firm, partnership, corporation, association, or other entity and other than an insurer as defined by § 624.03, engages in any activity or employs individuals to engage in any activity which by law may

be performed only by a licensed insurance agent.

"Insurance policy" or "insurance contract" (1) means a written contract of, or a written agreement for or effecting, insurance, or the certificate thereof, by whatever name called, and includes all clauses, riders, endorsements, and papers which are a part thereof; (2)

"Insurance policy" means, but is not limited to, life insurance, property insurance, or education policies.

"Insurer" means (1) any person duly licensed in this state pursuant to the applicable provisions of the Florida Insurance Code as an insurer; (2) "Insurer" includes an authorized commercial self-insurance fund and includes any person undertaking to provide health insurance coverage or coverage of any of the other expenses (described in § 624.33(1)).

"Legal relationship" means any parent, subsidiary, or affiliated company with an insurer doing business in this state.

"License" means a document issued by the department or office authorizing a person to be appointed to transact insurance or adjust claims for the kind, line, or class of insurance identified in the document.

"Licensed insurer" or "insurer" means any person, firm, association, or corporation licensed to transact business in this state. The following are not licensed insurers any risk retention group as defined in the Superfund Amendments Reauthorization Act of 1986,; The Risk Retention Act, any residual market pool or joint underwriting authority or association; and any captive insurance company (defined in s. 628.901).

"Line of authority" means a kind, line, or class of insurance an agent is authorized to transact.

"Managing general agent" means any person managing all or part of the insurance business of an insurer, including the management of a separate division, department, or underwriting office, and acting as an agent for that insurer, whether known as a managing general agent, manager, or other similar term, who, with or without authority, separately or together with affiliates, produces directly or indirectly, or underwrites an amount of gross direct written premium equal to or more than 5 percent of the policyholder surplus as reported in the last annual statement of the insurer in any single quarter or year and also does one or more of the following:

-Adjusts or pays claims.
-Negotiates reinsurance on behalf of the insurer. The following persons shall not be considered managing general agents:
    -An employee of the insurer.
    -A United States manager of the United States branch of an alien insurer.
    -An underwriting manager managing all the insurance operations of the insurer pursuant to a contract, who is under the common control of the insurer subject to regulations (under §§ 628.801-628.803), and whose compensation is not based on the volume of premiums written.
    -Administrators as defined by these regulations (§ 626.88).
    -The attorney in fact authorized by and acting for the subscribers of a reciprocal insurer under powers of attorney.

"Person" means any individual, corporation, association, partnership, reciprocal exchange, inter-insurer, Lloyd's insurer, fraternal benefit society, or business trust or any entity involved in the business of insurance.

"Policy summary" means a written statement describing the elements of the policy, including, but

not limited to, the name and address of the insurance agent or, if no agent is involved, a statement of the procedure to be followed in order to receive responses to inquiries regarding the policy summary;

"Producer" means an agent, broker, or reinsurance intermediary licensed pursuant to the applicable provision of the Florida Insurance Code; also "Producer" means an insurance agent or agents or any other person who, for any compensation, commission, or other thing of value, acts or aids in any manner in soliciting, negotiating, or procuring the making of any insurance contract on behalf of an insured other than the person.

"Qualified United States financial institution" means an institution that:

-Is organized or, in the case of a United States office of a foreign banking organization, licensed under the laws of the United States or any state thereof;
-Is regulated, supervised, and examined by federal or state authorities having regulatory authority over banks and trust companies; and
-Has been determined by the department or the Securities Valuation Office of the National Association of Insurance Commissioners to meet the standards of financial condition and standing that are considered necessary and appropriate to regulate the quality of financial institutions whose letters of credit will be acceptable to the department.

"Reinsurance intermediary" means a reinsurance intermediary broker or a reinsurance intermediary manager.

"Reinsurance intermediary broker" means any person, other than an officer or employee of the ceding insurer, who solicits, negotiates, or places reinsurance cessions or retrocessions on behalf of a ceding insurer without the authority or power to bind reinsurance on behalf of the ceding insurer.

"Reinsurer" means any person duly licensed in this state pursuant to the applicable provisions of the Florida Insurance Code as an insurer with the authority to assume reinsurance.

"Reinsurance intermediary manager" means any person who has authority to bind, or manages all or part of, the assumed reinsurance business of a reinsurer, including the management of a separate division, department, or underwriting office, and acts as an agent for the reinsurer whether known as a reinsurance intermediary manager, manager, or other similar term. Notwithstanding the above, none of the following persons is a reinsurance intermediary manager with respect to the reinsurer for the purposes of this section:

-An employee of the reinsurer;
-A manager of the United States branch of an alien reinsurer;
-An underwriting manager which, pursuant to contract, manages all the reinsurance operations of the reinsurer, is under common control with the reinsurer, subject to the holding company act, and whose compensation is not based on the volume of premiums written.
-The manager of a group, association, pool, or organization of insurers which engage in joint underwriting or joint reinsurance and who are subject to examination by the insurance regulatory authority of the state in which the manager's principal business office is located.

"Resident" means an individual whose home state is the State of Florida.

"Surplus lines agent" means an individual licensed as provided in this part to handle the placement of insurance coverages with unauthorized insurers and to place such coverages with authorized insurers as to which the licensee is not licensed as an agent.

"To export" means to place, in an unauthorized insurer under this Surplus Lines Law, insurance covering a subject of insurance resident, located, or to be performed in this state.

"Violation" means (in re Surplus Lines) failure by the reinsurance intermediary, insurer, or reinsurer for whom the reinsurance intermediary was acting to substantially comply with the provisions of this section.

Chapter 4 Ethical Requirements

Code Of Ethics

69B-215.050 Receipt of 24 Risks
For purposes of an insurer reporting to the Department agents from whom the insurer received more than 24 risks per calendar year as set forth under Sections 626.752, 626.793, and 626.837, Florida Statutes, the term "received" shall mean the binding of coverage and receipt of payment for such coverage by the insurer to whom the business is submitted by the brokering agent of more than 24 personal lines risks during a calendar year.

69B-215.060 Required Disclosure on Forms
No licensed agent may submit an application to an insurer with which the agent is appointed, or furnish a copy of an application to a prospective insured, unless the name of the insurer is legibly typed or printed on the first page of the application form at the time the coverage is bound or premium is quoted. The application also shall disclose the name and license identification number of the agent as shown on the agent's license issued by the Department, which information shall be legibly typed, printed, stamped, or handwritten. Upon completion of the application, a copy must be provided to the prospective insured.

69B-215.215 Twisting
Twisting is declared to be unethical. No person shall make any misleading representations or incomplete or fraudulent comparison of any insurance policies or insurers for the purpose of inducing, or tending to induce, any person to lapse, forfeit, surrender, terminate, retain, or convert any insurance policy, or to take out a policy of insurance in another insurer.

69B-215.220 Rebating
Rebating is declared to be unethical. Except as otherwise expressly provided by law, no person shall knowingly permit or offer to make or make any contract of life insurance, life annuity or disability insurance, or agreement as to such contract other than as plainly expressed in the contract issued thereon, or pay or allow, or give or offer to pay, allow, or give, directly or indirectly as an inducement to such insurance, or annuity, any rebate of premiums payable on the contract, or any special favor or advantage in the dividends or other benefits thereon, or any valuable consideration or inducement whatever not specified in the contract.

69B-215.225 Defamation
Defamation is declared to be unethical and defined as making, publishing or circulating any oral, written or printed statement which is false, or maliciously critical of or derogatory to the financial condition of any insurance company, or which is calculated to injure any person engaged in the business of life insurance, and this practice is declared to be unethical.

69B-215.230 Misrepresentations
Misrepresentations are declared to be unethical. No person shall make, issue, circulate, or cause to be made, issued, or circulated, any estimate, circular, or statement misrepresenting the terms of any policy issued or to be issued or the benefits or advantages promised thereby or the dividends or share of the surplus to be received thereon, or make any false or misleading

statement as to the dividends or share of surplus previously paid on similar policies, or make any misleading representation or any misrepresentation as to the financial condition of any insurer, or as to the legal reserve system upon which any life insurer operates, or use any name or title of any policy or class of policies misrepresenting the true nature thereof.

No person shall make, publish, disseminate, circulate, or place before the public, or cause, directly or indirectly, to be made, published, disseminated, circulated, or placed before the public, in a newspaper, magazine, or other publication, or in the form of a notice, circular, pamphlet, letter or poster, or over any radio or television station, or in any other way, any advertisement, announcement or statement containing any assertion, representation or statement with respect to the business of insurance or with respect to any person in the conduct of his insurance business, which is untrue, deceptive or misleading.

69B-215.235 Use of Designations
The purpose of this rule is to set forth standards to protect consumers from dishonest, deceptive, misleading, and fraudulent trade practices with respect to the use of certifications and professional designations in the marketing, solicitation, negotiation, sale or advice made in connection with an insurance transaction by any licensee.

The department does NOT endorse any professional designation.

For purposes of this rule:

-A designation is any combination of words, any acronym standing for a combination of words or any job title that indicates or implies that a licensee has special knowledge or training in advising or servicing consumers beyond the knowledge or training required for the license held.

-A certification is any designation that indicates, implies or recognizes that an individual or organization meets certain established criteria beyond the criteria required for the license held.

-A designation may not be lawfully used under the Insurance Code unless the designation is obtained from an organization that has published standards and procedures for assuring the competency of its certificants or designees on specific subject matters, which standards and procedures are continually utilized by the organization.

-The organization or entity conferring the designation must approve any terminology, combination of words and/or acronym to be used by the designee.

-The prohibited use of any designation includes, but is not limited to, the following:
-Use of a designation by a person who has not actually earned or is otherwise ineligible to use such designation;
-Use of a nonexistent or self-conferred designation;
-Use of a designation that indicates or implies a level of occupational qualifications obtained through education, training, or experience that the person using the designation does not have, and
-Use of any designation not obtained in compliance with subsection (4), above.

Marketing Regulatory And Ethical Guidelines For Florida Licensed Professionals
626.797 Code of ethics
The department shall, after consultation with the Florida Association of Insurance and Financial Advisors, adopt a code of ethics, or continue any such code heretofore so adopted, to govern the conduct of health agents in their relations with the public, other agents, and the insurers.

The code of ethics shall apply standards of conduct designed to avoid the commission of acts or the existence of circumstances which would constitute grounds for suspension, revocation, or refusal of license under ss. 626.611 and 626.621 and to avoid the use of unfair trade practices and unfair methods of competition which would be in violation of any provision of part IX.

All applicants for license as health agents shall subscribe to the code of ethics.

Understanding Industry Products & Suitability Sales And Services
69B-151.101 Purpose
The purpose of these rules is to safeguard the interests of persons covered by accident and health insurance policies or plans who are considering replacement of their insurance by making available to them information regarding replacement, thereby reducing the opportunity for misrepresentation or other unfair practices and methods of competition in the business of insurance.

69B-151.102 Scope
These rules apply to the solicitation of accident and health insurance covering residents of this state. They do not apply to the solicitation of the following accident and health insurance:

-Group, blanket or franchise;
-Accident only;
-Single premium nonrenewable;
-Conversion to another individual or family policy issued by the same insurer with continuous coverage;
-Conversion to an individual or family policy from a group, blanket or group type policy; and
-Conversion to a Medicare Supplement policy to replace a basic or major-medical accident and health policy.

69B-151.103 Definitions
As used in these rules:

1. "Replacement" is any transaction wherein new accident and health insurance is to be purchased and it is known to the agent, broker or insurer at the time of application that, as a part of the transaction, existing accident and health insurance has been or is to be lapsed or the benefits thereof substantially reduced.

2. "Direct response insurance" is insurance issued to an applicant who has completed the application and forwarded it directly to the insurer's agent in response to a solicitation coming into the applicant's possession by any means of mass communication.

3. "Continuous coverage" means that the benefits are not less than the benefits under the previous policy, and the policy also covers loss resulting from injury sustained or sickness contracted while coverage was in force under the previous policy to the extent such loss is not covered under any extended benefit or similar provision of the previous policy.

4. As used in this rule chapter the terms "accident and health insurance," "accident and sickness insurance," and "disability insurance" each shall include the others.

69B-151.104 Insurance Application
An application form for insurance subject to these rules shall contain a question to elicit information as to whether the insurance to be issued is to replace any insurance presently in force. If replacement of existing coverage is indicated the application shall state the Company name and policy number. A supplementary application or other form to be signed by the applicant and made a part of the company's file containing such a question may be used.

69B-151.105 Notice Furnished by Forms
(1) Upon determining that a sale will involve replacement, an insurer, other than a direct response insurer, shall furnish the applicant, upon issuance or delivery of the policy, or prior thereto, the notice described below. Once copy of such notice shall be given to the applicant and an additional copy signed by the applicant shall be retained by the insurer in its home office for at least three years or until the conclusion of the next succeeding regular examination by the Insurance Department of its state of domicile, whichever is later. This notice required for an insurer, other than a direct response Insurer, shall be provided in substantially the following form:

NOTICE TO APPLICANT REGARDING REPLACEMENT OF ACCIDENT AND SICKNESS INSURANCE
According to (your application) (information you have furnished), you intend to lapse or otherwise terminate existing accident and sickness insurance (insert policy number) you have with (insert Company name) and replace it with a policy to be issued by (insert Company name). For your information and protection, you should be aware of and seriously consider certain factors which may affect the insurance protection available to you under the new policy.

Health conditions which you may presently have, (pre-existing conditions) may not be immediately or fully covered under the new policy. This could result in denial or delay of a claim for benefits under the new policy, whereas a similar claim might have been payable under your present policy (to be included if pre-existing conditions are not covered under the replacement policy).

You may wish to secure the advice of your present insurer or its agent regarding the proposed replacement of your present policy. This is not only your right, but it is also in your best interests to make sure you understand all the relevant factors involved in replacing your present coverage. If, after due consideration, you still wish to terminate your present policy and replace it with new coverage, be certain that all questions on the application concerning your medical/health history are truthfully and completely answered. Failure to include all material medical information on an application may provide a basis for the company to deny any future claims and to refund your premium as though your policy had never been in force. After the application has been completed it should be carefully reviewed before being signed to be certain that all information has been properly recorded.

New policies may be issued at an older age than that used for issuance of your present policy; therefore, the cost of the new policy, depending upon the benefits, may be higher than you are paying for your present policy.

The renewal provisions of the new policy should be reviewed so as to make sure of your rights to periodically renew the policy.
The above "Notice to Applicant" was delivered to me on:

(date)

Witness (Writing Agent)

(Applicant's Signature)

(2) A direct response insurer shall deliver to the applicant upon issuance of the policy, or within five working days from receipt of the application, whichever date occurs earlier, the notice described below. This notice required for a direct response insurer shall be in a form substantially as follows:

NOTICE TO APPLICANT REGARDING REPLACEMENT OF ACCIDENT AND SICKNESS

INSURANCE
According to (your application) (information you have furnished), you intend to lapse or otherwise terminate existing accident and sickness insurance (insert policy number) you have with (insert Company name) and replace it with the policy delivered herewith issued by (insert Company name). Your new policy provides 10 days within which you may decide without cost whether you desire to keep the policy. For your own information and protection you should be aware of and seriously consider certain factors which may affect the insurance protection available to you under the new policy.

(1) Health conditions which you may presently have, (pre-existing conditions) may not be immediately or fully covered under the new policy. This could result in denial or delay of a claim for benefits under the new policy, whereas a similar claim might have been payable under your present policy.

(2) You may wish to secure the advice of your present insurer or its agent regarding the proposed replacement of your present policy. This is not only your right, but it is also in your best interests to make sure you understand all the relevant factors involved in replacing your present coverage.

(3) (To be included only if the application is attached to the policy.) If, after due consideration, you still wish to terminate your present policy and replace it with new coverage, read the copy of the application attached to your new policy and be sure that all questions are answered fully and correctly. Omissions or misstatements in the application could cause an otherwise valid claim to be denied. Carefully check the application and write to (insert Company Name and Address) within 10 days if any information is not correct and complete, or if any past medical history has been left out of the application.

(Company Name)

(3) An insurer, within five working days from the receipt of an application at its policy issuance office, shall furnish a copy of such notice to the insurer whose policy is being replaced.

69B-151.106 Violation
Any person who violates these rules and by doing so violates any statutory section of Part VII, Chapter 626, F.S., as implemented by these rules, shall be subject to the penalties provided in Section 627.381, F.S., and such other statutory penalties as may be applicable.

Unfair Methods Of Competition And Unfair Or Deceptive Acts
626.951 Declaration of purpose
The purpose of this part is to regulate trade practices relating to the business of insurance in accordance with the intent of Congress as expressed in the Act of Congress (Pub. L. No. 15, 79th Congress), by defining, or providing for the determination of, all such practices in this state which constitute unfair methods of competition or unfair or deceptive acts or practices and by prohibiting the trade practices so defined or determined.
This part shall be entitled the "Unfair Insurance Trade Practices Act."

626.9511 Definitions
When used in this part:

"Person" means any individual, corporation, association, partnership, reciprocal exchange, interinsurer, Lloyds insurer, fraternal benefit society, or business trust or any entity involved in the business of insurance.

"Insurance policy" or "insurance contract" means a written contract of, or a written agreement for or effecting, insurance, or the certificate thereof and includes all clauses, riders, endorsements, and papers which are a part thereof.

626.9521 Unfair methods of competition and unfair or deceptive acts or practices prohibited; penalties

1. No person shall engage in this state in any trade practice which is defined in this part as, or determined pursuant to s. 626.951 or s. 626.9561 to be, an unfair method of competition or an unfair or deceptive act or practice involving the business of insurance.

2. Except as provided in subsection (3), any person who violates any provision of this part is subject to a fine in an amount not greater than $5,000 for each nonwillful violation and not greater than $40,000 for each willful violation. Fines under this subsection imposed against an insurer may not exceed an aggregate amount of $20,000 for all nonwillful violations arising out of the same action or an aggregate amount of $200,000 for all willful violations arising out of the same action. The fines may be imposed in addition to any other applicable penalty.

3.a. If a person violates s. 626.9541(1)(l), the offense known as "twisting," or violates s.626.9541(1)(aa), the offense known as "churning," the person commits a misdemeanor of the first degree, punishable as provided in s. 775.082, and an administrative fine not greater than $5,000 shall be imposed for each nonwillful violation or an administrative fine not greater than $75,000 shall be imposed for each willful violation. To impose an administrative fine for a willful violation under this paragraph, the practice of "churning" or "twisting" must involve fraudulent conduct.

3.b. If a person violates s. 626.9541(1)(ee) by willfully submitting fraudulent signatures on an application or policy-related document, the person commits a felony of the third degree, punishable as provided in s. 775.082, and an administrative fine not greater than $5,000 shall be imposed for each nonwillful violation or an administrative fine not greater than $75,000 shall be imposed for each willful violation.

3.c. Administrative fines under this subsection may not exceed an aggregate amount of $50,000 for all nonwillful violations arising out of the same action or an aggregate amount of $250,000 for all willful violations arising out of the same action.

4. A licensee must make all reasonable efforts to ascertain the consumer's age at the time an insurance application is completed.

5. If a consumer who is a senior citizen is a victim, a video deposition of the victim may be used for any purpose in any administrative proceeding conducted pursuant to chapter 120 if all parties are given proper notice of the deposition in accordance with the Florida Rules of Civil Procedure.

26.9541 Unfair methods of competition and unfair or deceptive acts or practices defined

Defamation.Knowingly making, publishing, disseminating, or circulating, directly or indirectly, or aiding, abetting, or encouraging the making, publishing, disseminating, or circulating of, any oral or written statement, or any pamphlet, circular, article, or literature, which is false or maliciously critical of, or derogatory to, any person and which is calculated to injure such person.

Boycott, coercion, and intimidation.Entering into any agreement to commit, or by any concerted action committing, any act of boycott, coercion, or intimidation resulting in, or tending to result in, unreasonable restraint of, or monopoly in, the business of insurance. False statements and entries.

Knowingly: Filing with any supervisory or other public official, Making, publishing, disseminating, circulating, Delivering to any person, Placing before the public, Causing, directly or indirectly, to be made, published, disseminated, circulated, delivered to any person, or placed before the public, any false material statement.

Knowingly making any false entry of a material fact in any book, report, or statement of any person, or knowingly omitting to make a true entry of any material fact pertaining to the business of such person in any book, report, or statement of such person.

Unfair discrimination.

Knowingly making or permitting any unfair discrimination between individuals of the same actuarially supportable class and equal expectation of life, in the rates charged for any life insurance or annuity contract, in the dividends or other benefits payable thereon, or in any other of the terms and conditions of such contract.

Knowingly making or permitting any unfair discrimination between individuals of the same actuarially supportable class, as determined at the original time of issuance of the coverage, and essentially the same hazard, in the amount of premium, policy fees, or rates charged for any policy or contract of accident, disability, or health insurance, in the benefits payable thereunder, in any of the terms or conditions of such contract, or in any other manner whatever.

For a health insurer, life insurer, disability insurer, property and casualty insurer, automobile insurer, or managed care provider to underwrite a policy, or refuse to issue, reissue, or renew a policy, refuse to pay a claim, cancel or otherwise terminate a policy, or increase rates based upon the fact that an insured or applicant who is also the proposed insured has made a claim or sought or should have sought medical or psychological treatment in the past for abuse, protection from abuse, or shelter from abuse, or that a claim was caused in the past by, or might occur as a result of, any future assault, battery, or sexual assault by a family or household member upon another family or household member as defined in s. 741.28. A health insurer, life insurer, disability insurer, or managed care provider may refuse to underwrite, issue, or renew a policy based on the applicant's medical condition, but shall not consider whether such condition was caused by an act of abuse.

For purposes of this section, the term "abuse" means the occurrence of one or more of the following acts:

a. Attempting or committing assault, battery, sexual assault, or sexual battery;

b. Placing another in fear of imminent serious bodily injury by physical menace;

c. False imprisonment;

d. Physically or sexually abusing a minor child; or

e. An act of domestic violence as defined in s. 741.28.

f. Unfair claim settlement practices.

1. Attempting to settle claims on the basis of an application, when serving as a binder or intended to become a part of the policy, or any other material document which was altered without notice to, or knowledge or consent of, the insured;

2. A material misrepresentation made to an insured or any other person having an interest in the proceeds payable under such contract or policy, for the purpose and with the intent of effecting settlement of such claims, loss, or damage under such contract or policy on less favorable terms than those provided in, and contemplated by, such contract or policy; or

3. Committing or performing with such frequency as to indicate a general business practice any of the following:

a. Failing to adopt and implement standards for the proper investigation of claims;

b. Misrepresenting pertinent facts or insurance policy provisions relating to coverages at issue;

c. Failing to acknowledge and act promptly upon communications with respect to claims;

d. Denying claims without conducting reasonable investigations based upon available information;

e. Failing to affirm or deny full or partial coverage of claims, and, as to partial coverage, the dollar amount or extent of coverage, or failing to provide a written statement that the claim is being investigated, upon the written request of the insured within 30 days after proof-of-loss statements have been completed;

f. Failing to promptly provide a reasonable explanation in writing to the insured of the basis in the insurance policy, in relation to the facts or applicable law, for denial of a claim or for the offer of a compromise settlement;

g. Failing to promptly notify the insured of any additional information necessary for the processing of a claim; or

h. Failing to clearly explain the nature of the requested information and the reasons why such information is necessary.

i. Failing to pay personal injury protection insurance claims within the time periods required by s.627.736(4)(b). The office may order the insurer to pay restitution to a policyholder, medical provider, or other claimant, including interest at a rate consistent with the amount set forth in s. 55.03(1), for the time period within which an insurer fails to pay claims as required by law. Restitution is in addition to any other penalties allowed by law, including, but not limited to, the suspension of the insurer's certificate of authority.

4. Failing to pay undisputed amounts of partial or full benefits owed under first-party property insurance policies within 90 days after an insurer receives notice of a residential property insurance claim, determines the amounts of partial or full benefits, and agrees to coverage, unless payment of the undisputed benefits is prevented by an act of God, prevented by the impossibility of performance, or due to actions by the insured or claimant that constitute fraud, lack of cooperation, or intentional misrepresentation regarding the claim for which benefits are owed.

5. Failure to maintain complaint-handling procedures.Failure of any person to maintain a complete record of all the complaints received since the date of the last examination. For purposes of this paragraph, "complaint" means any written communication primarily expressing a grievance.

Misrepresentation in insurance applications
1. Knowingly making a false or fraudulent written or oral statement or representation on, or relative to, an application or negotiation for an insurance policy for the purpose of obtaining a fee, commission, money, or other benefit from any insurer, agent, broker, or individual.

2. Knowingly making a material omission in the comparison of a life, health, or Medicare supplement insurance replacement policy with the policy it replaces for the purpose of obtaining a fee, commission, money, or other benefit from any insurer, agent, broker, or individual. For the purposes of this subparagraph, a material omission includes the failure to advise the insured of the existence and operation of a preexisting condition clause in the replacement policy.

3. Twisting.Knowingly making any misleading representations or incomplete or fraudulent comparisons or fraudulent material omissions of or with respect to any insurance policies or

insurers for the purpose of inducing, or tending to induce, any person to lapse, forfeit, surrender, terminate, retain, pledge, assign, borrow on, or convert any insurance policy or to take out a policy of insurance in another insurer.

Interlocking ownership and management.
1. Any domestic insurer may retain, invest in, or acquire the whole or any part of the capital stock of any other insurer or insurers, or have a common management with any other insurer or insurers, unless such retention, investment, acquisition, or common management is inconsistent with any other provision of this code, or unless by reason thereof the business of such insurers with the public is conducted in a manner which substantially lessens competition generally in the insurance business.

2. Any person otherwise qualified may be a director of two or more domestic insurers which are competitors, unless the effect thereof is substantially to lessen competition between insurers generally or materially tend to create a monopoly.

3. Any limitation contained in this paragraph does not apply to any person who is a director of two or more insurers under common control or management.

False claims; obtaining or retaining money dishonestly.
1. Any agent, physician, claimant, or other person who causes to be presented to any insurer a false claim for payment, knowing the same to be false; or 2. Any agent, collector, or other person who represents any insurer or collects or does business without the authority of the insurer, secures cash advances by false statements, or fails to turn over when required, or satisfactorily account for, all collections of such insurer, shall, in addition to the other penalties provided in this act, be guilty of a misdemeanor of the second degree and, upon conviction thereof, shall be subject to the penalties provided by s. 775.082 or s.775.083.

Soliciting or accepting new or renewal insurance risks by insolvent or impaired insurer prohibited; penalty.
1. Whether or not delinquency proceedings as to the insurer have been or are to be initiated, but while such insolvency or impairment exists, no director or officer of an insurer, except with the written permission of the office, shall authorize or permit the insurer to solicit or accept new or renewal insurance risks in this state after such director or officer knew, or reasonably should have known, that the insurer was insolvent or impaired. "Impaired" includes impairment of capital or surplus, as defined in s. 631.011(12) and (13).

2. Any such director or officer, upon conviction of a violation of this paragraph, is guilty of a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

Refusal to insure. In addition to other provisions of this code, the refusal to insure, or continue to insure, any individual or risk solely because of:
1. Race, color, creed, marital status, sex, or national origin;

2. The residence, age, or lawful occupation of the individual or the location of the risk, unless there is a reasonable relationship between the residence, age, or lawful occupation of the individual or the location of the risk and the coverage issued or to be issued;

3. The insured's or applicant's failure to agree to place collateral business with any insurer, unless the coverage applied for would provide liability coverage which is excess over that provided in policies maintained on property or motor vehicles;

4. The insured's or applicant's failure to purchase noninsurance services or commodities, including automobile services as defined in s. 624.124;

5. The fact that the insured or applicant is a public official; or

6. The fact that the insured or applicant had been previously refused insurance coverage by any insurer, when such refusal to insure or continue to insure for this reason occurs with such frequency as to indicate a general business practice.

Powers of attorney.Except as provided in s. 627.842(2):
1. Requiring, as a condition to the purchase or continuation of an insurance policy, that an applicant for insurance or an insured execute a power of attorney in favor of an insurance agent or agency or employee thereof; or

2. Presenting to the applicant or the insured, as a routine business practice, a form that authorizes the insurance agent or agency to sign the applicant's or insured's name on any insurance-related document or application for the purchase of motor vehicle services as described in s.624.124. To be valid, a power of attorney must be an act or practice other than as described in this paragraph, must be a separate writing in a separate document, must be executed with the full knowledge and consent of the applicant or insured who grants the power of attorney, must be in the best interests of the insured or applicant, and a copy of the power of attorney must be provided to the applicant or insured at the time of the transaction.

Sliding
Sliding is the act or practice of:
1. Representing to the applicant that a specific ancillary coverage or product is required by law in conjunction with the purchase of insurance when such coverage or product is not required;

2. Representing to the applicant that a specific ancillary coverage or product is included in the policy applied for without an additional charge when such charge is required; or

3. Charging an applicant for a specific ancillary coverage or product, in addition to the cost of the insurance coverage applied for, without the informed consent of the applicant.

626.9551 Favored agent or insurer; coercion of debtors
1. No person may:

a. Require, as a condition precedent or condition subsequent to the lending of money or extension of credit or any renewal thereof, that the person to whom such money or credit is extended, or whose obligation the creditor is to acquire or finance, negotiate any policy or contract of insurance through a particular insurer or group of insurers or agent or broker or group of agents or brokers.

b. Reject an insurance policy solely because the policy has been issued or underwritten by any person who is not associated with a financial institution, or with any subsidiary or affiliate thereof, when such insurance is required in connection with a loan or extension of credit; or unreasonably disapprove the insurance policy provided by a borrower for the protection of the property securing the credit or lien. For purposes of this paragraph, such disapproval shall be deemed unreasonable if it is not based solely on reasonable standards, uniformly applied, relating to the extent of coverage required by such lender or person extending credit and the financial soundness and the services of an insurer. Such standards shall not discriminate against any particular type of insurer, nor shall such standards call for the disapproval of an insurance policy because such policy contains coverage in addition to that required.

c. Require, directly or indirectly, that any borrower, mortgagor, purchaser, insurer, broker, or agent pay a separate charge in connection with the handling of any insurance policy that is required in connection with a loan or other extension of credit or the provision of another traditional banking product, or pay a separate charge to substitute the insurance policy of one insurer for that of another, unless such charge would be required if the person were providing the

insurance. This paragraph does not include the interest which may be charged on premium loans or premium advances in accordance with the security instrument.

d. Use or provide to others insurance information required to be disclosed by a customer to a financial institution, or a subsidiary or affiliate thereof, in connection with the extension of credit for the purpose of soliciting the sale of insurance, unless the customer has given express written consent or has been given the opportunity to object to such use of the information. Insurance information means information concerning premiums, terms, and conditions of insurance coverage, insurance claims, and insurance history provided by the customer. The opportunity to object to the use of insurance information must be in writing and must be clearly and conspicuously made.

2a. Any person offering the sale of insurance at the time of and in connection with an extension of credit or the sale or lease of goods or services shall disclose in writing that the choice of an insurance provider will not affect the decision regarding the extension of credit or sale or lease of goods or services, except that reasonable requirements may be imposed pursuant to subsection (1).

2b. Federally insured or state-insured depository institutions and credit unions shall make clear and conspicuous disclosure in writing prior to the sale of any insurance policy that such policy is not a deposit, is not insured by the Federal Deposit Insurance Corporation or any other entity, is not guaranteed by the insured depository institution or any person soliciting the purchase of or selling the policy; that the financial institution is not obligated to provide benefits under the insurance contract; and, where appropriate, that the policy involves investment risk, including potential loss of principal.

2c. All documents constituting policies of insurance shall be separate and shall not be combined with or be a part of other documents. A person may not include the expense of insurance premiums in a primary credit transaction without the express written consent of the customer.

626.9561 Power of department and office
The department and office shall each have power within its respective regulatory jurisdiction to examine and investigate the affairs of every person involved in the business of insurance in this state in order to determine whether such person has been or is engaged in any unfair method of competition or in any unfair or deceptive act or practice prohibited by s. 626.9521, and shall each have the powers and duties specified in ss.626.9571-626.9601 in connection therewith.

626.9571 Defined practices; hearings, witnesses, appearances, production of books and service of process
1. Whenever the department or office has reason to believe that any person has engaged, or is engaging, in this state in any unfair method of competition or any unfair or deceptive act or practice as defined in s. 626.9541 or s. 626.9551 or is engaging in the business of insurance without being properly licensed as required by this code and that a proceeding by it in respect thereto would be to the interest of the public, it shall conduct or cause to have conducted a hearing in accordance with chapter 120.

2. The department or office, a duly empowered hearing officer, or an administrative law judge shall, during the conduct of such hearing, have those powers enumerated in s. 120.569; however, the penalties for failure to comply with a subpoena or with an order directing discovery shall be limited to a fine not to exceed $1,000 per violation.

3. Statements of charges, notices, and orders under this act may be served by anyone duly authorized by the department or office, either in the manner provided by law for service of process in civil actions or by certifying and mailing a copy thereof to the person affected by such statement, notice, order, or other process at his or her or its residence or principal office or place

of business. The verified return by the person so serving such statement, notice, order, or other process, setting forth the manner of the service, shall be proof of the same, and the return postcard receipt for such statement, notice, order, or other process, certified and mailed as aforesaid, shall be proof of service of the same.

626.9702 Illegal dealings in premiums; excess charges for insurance

1. No insurer shall impose or request an additional premium for automobile insurance, or refuse to renew a policy, solely because the insured or applicant was convicted of one or more traffic violations which do not involve an accident or do not cause revocation or suspension of the driving privileges of the insured, without adequate proof of a direct, demonstrable, objective relationship between the violation for which the surcharge was imposed and the increased risk of highway accidents.

2. No insurer shall cancel or otherwise terminate any automobile insurance contract with an insured after the insured has paid the premiums on such policy for 5 years or more solely because the insured is involved in a single traffic accident.

3. Any person or organization which violates any provision of this section shall be subject to the penalties provided in s. 627.381.

626.9705 Life or disability insurance; illegal dealings

1. No life or disability insurer shall refuse to renew, sell, or issue a life or disability insurance policy, establish or charge a premium or rate to an applicant or a prospective policyholder, or establish or charge an unfair, discriminatory premium or rate to such person solely on the ground that the applicant or policyholder suffers from a severe disability.

2. "Severe disability," as used in this section, means any spinal cord disease or injury resulting in permanent and total disability, amputation of any extremity that requires prosthesis, permanent visual acuity of 20/200 or worse in the better eye with the best correction, a peripheral field so contracted that the widest diameter of such field subtends an angular distance no greater than 20 degrees, or neurosensory deafness.

3. Nothing in this section should be construed as requiring an insurer to provide insurance coverage against a severe disability which the applicant or policyholder has already sustained.

626.9707 Disability insurance; discrimination on basis of sickle-cell trait prohibited

1. No insurer authorized to transact insurance in this state shall refuse to issue and deliver in this state any policy of disability insurance, whether such policy is defined as individual, group, blanket, franchise, industrial, or otherwise, which is currently being issued for delivery in this state and which affords benefits and coverage for any medical treatment or service authorized and permitted to be furnished by a hospital, clinic, health clinic, neighborhood health clinic, health maintenance organization, physician, physician's assistant, nurse practitioner, or medical service facility or personnel solely because the person to be insured has the sickle-cell trait.

2. No disability insurance policy issued or delivered in this state shall carry a higher premium rate or charge solely because the person to be insured has the sickle-cell trait.

Understanding Required Premium Discounts

Insurers are not legally required to offer premium discounts to applicants and policy holders, however, if you're eligible to shop in the Health Insurance Marketplace, you can apply for financial assistance from the government to help cover monthly premiums and out-of-pocket expenses.

The Affordable Care Act created health insurance discount options, depending on your household income and family size.

Help with premium payments

The premium tax credit or subsidy lowers your monthly premium payments. The federal government can pay part of the premium to your insurance company or you can claim the full amount of the premium tax credit when filing your tax return.

Chapter 5 Florida Insurance Guaranty Association

Florida created a nonprofit legal entity known as the Florida Life and Health Insurance Guaranty Association (FIGA). Insurers must become and remain members of the association as a condition of their authority to transact insurance in Florida. Additionally, insurers must agree to reimburse the association for all claim payments made on the insurer's behalf during financially difficult times if the insurer is subsequently rehabilitated. The association will perform its functions under the plan of operation established and approved and will exercise its powers through a board of directors.

For purposes of administration and assessment, the association maintains three accounts:

1. A health insurance account;
2. A life insurance account; and
3. An annuity account.

Borrowing between accounts for payment of policyholder and contract holder claims and other obligations of the association is authorized at the discretion of the board of directors, provided that the amounts so borrowed are restored to the appropriate accounts not less than annually. The association comes under the immediate supervision of the department and is subject to the applicable provisions of the insurance laws of Florida.

Board of Directors

The board of directors of the association is comprised of not fewer than five nor more than nine-member insurers, serving terms as established in the plan of operation. At all times, at least one member of the board must be a domestic insurer. The members of the board are elected by member insurers subject to the approval of the department. A vacancy on the board will be filled for the remaining period of the term by a majority vote of the remaining board members, subject to the approval of the department. Prior to the selection of the initial board of directors and the organization of the association, the department shall give notice to all member insurers of the time and place of the organizational meeting. At the organizational meeting, each member insurer is entitled to one vote, in person or by proxy. If the board of directors is not elected within 60 days after notice of the organizational meeting, the department may appoint the initial members.

In approving the election of members to the board, or in appointing members to the board, the department shall consider, among other things, whether all member insurers are fairly represented.

Members of the board may be reimbursed from the assets of the association for expenses incurred by them as members of the board of directors, but members of the board shall not otherwise be compensated by the association for their services.

Powers and Duties of the Association

If a domestic insurer is an impaired insurer, the association may, subject to the approval of the impaired insurer and the department:

1.Guarantee or reinsure, or cause to be guaranteed, assumed, or reinsured, any or all of the covered policies of the impaired insurer;

2.Provide such moneys, pledges, notes, guarantees, or other means as are proper to effectuate paragraph (a) and assure payment of the contractual obligations of the impaired insurer pending action under paragraph (a); and

3.Loan money to the impaired insurer.

If a domestic insurer is an insolvent insurer, the association shall, subject to the approval of the department:

1.Guarantee, assume, or reinsure, or cause to be guaranteed, assumed, or reinsured, the covered policies of persons referred to in s. 631.713(2); and

2.Provide moneys, pledges, notes, guarantees, or other means that are proper and reasonably necessary to implement paragraph (a) in order to assure payment of the contractual obligations of the insolvent insurer with regard to persons referred to in s. 631.713(2).

If a foreign or alien insurer is an insolvent insurer, the association shall, subject to the approval of the department:

1.Guarantee, assume, or reinsure, or cause to be guaranteed, assumed, or reinsured, the covered policies of residents of this state; and

2.Provide moneys, pledges, notes, guarantees, or other means that are proper and reasonably necessary to implement paragraph (a) in order to assure payment of the contractual obligations of the insolvent insurer with regard to persons referred to in s. 631.713(2).

This does not apply when the department has determined that the foreign or alien insurer's domiciliary jurisdiction or state of entry provides, by statute, protection substantially similar to that provided by this part for residents of Florida.

The association may:

1.Enter into such contracts as are necessary or proper to carry out the provisions and purposes of this part.

2.Sue or be sued, including the taking of any legal actions necessary or proper for the recovery of any unpaid assessments, provided that service of process must be made upon the person registered with the department as agent for receipt of service of process.

3.Borrow money to affect the purposes of this part. Any notes or other evidence of indebtedness of the association not in default shall be legal investments for domestic insurers and may be carried as admitted assets.

4.Employ or retain such persons as are necessary to handle the financial transactions of the association and to perform such other functions as become necessary or proper under this part.

5.Negotiate and contract with any liquidator, rehabilitator, conservator, or ancillary receiver to carry out the powers and duties of the association.

6.Take such legal action as may be necessary to avoid payment of improper claims.

7.Exercise, for the purposes of this part and to the extent approved by the department, the powers of a domestic life or health insurer, but in no case, may the association issue insurance policies or annuity contracts other than those issued to satisfy the contractual obligations of the impaired or insolvent insurer.

The association is not liable for any civil action under s. 624.155 arising from any acts alleged to have been committed by a member insurer prior to its liquidation. This does not affect the association's obligation to pay valid insurance policy or contract claims if warranted after its independent de novo review of the policies, contracts, and claims presented to it, whether domestic or foreign, after a Florida domestic rehabilitation or liquidation.

The association may reinsure any alternative or reissued policy. Alternative or reissued policies

adopted by the association are subject to the approval of the department upon terms and conditions the department considers appropriate, given the function and special purpose of the association. The association may adopt alternative policies of various types for future issuance without regard to any particular impairment or insolvency.

Alternative or reissued policies must contain at least the minimum statutory provisions required under this code and provide benefits that are reasonable with respect to the premium charged. The association shall set the premium in accordance with a table of rates adopted by the association. The premium must reflect the amount of insurance to be provided and the age and class of risk of each insured, but may not reflect any changes in the health of the insured occurring since the original policy was last underwritten.

Alternative policies issued by the association must provide coverage of a type generally similar to that of the policy issued by the impaired or insolvent insurer, as determined by the association. The association's obligations with respect to coverage under any policy of the impaired or insolvent insurer or under any reissued or alternative policy must cease on the date that the coverage is replaced by another similar policy by the association. Any reissued, reinsured, or alternative policy must, however, be subject to association coverage if the replacement insurer becomes impaired or insolvent.

In carrying out its duties regarding guaranteeing, assuming, or reinsuring policies or contracts, the association may, subject to approval of the receivership court, issue substitute coverage for a policy or contract that provides an interest rate, crediting rate, or similar factor determined by use of an index or other external reference stated in the policy or contract employed in calculating returns or changes in value by issuing an alternative policy or contract. In lieu of the index or other external reference provided for in the original policy or contract, the alternative policy or contract must provide for a fixed interest rate, payment of dividends with minimum guarantees, or a different method for calculating interest or changes in value. In such case:

1. There is no requirement for evidence of insurability, waiting period, or other exclusion that would not have applied under the replaced policy or contract.
2. The alternative policy or contract shall be substantially similar to the replaced policy or contract in all other material terms.

Powers and Duties of Department and Office

The office will, upon request of the board of directors, provide the association with a statement of the premiums in each of the appropriate states for each member insurer. When impairment is declared, and the amount of the impairment is determined, it will serve a demand upon the impaired insurer to make good the impairment within a reasonable time. Notice to the impaired insurer constitutes notice to its shareholders, if any. The failure of the insurer to promptly comply with the demand does not excuse the association from the performance of its powers and duties.

The department will, in any liquidation or rehabilitation proceeding involving a domestic insurer, be appointed as the liquidator or rehabilitator. If a foreign or alien member insurer is subject to a liquidation proceeding in its domiciliary jurisdiction or state of entry, the department will be appointed conservator.

The office may suspend or revoke, after notice and hearing, the certificate of authority to transact insurance in this state of any member insurer that fails to pay an assessment when due or fails to comply with the approved plan of operation of the association. As an alternative, the office may levy a forfeiture on any member insurer that fails to pay an assessment when due. Forfeiture may not exceed five percent of the unpaid assessment per month, but no forfeiture may be less than $100 per month.

Any action of the board of directors or of the association may be appealed to the office by any member insurer if it is taken within 30 days of the action. If a member company is appealing an assessment, the amount assessed must be paid to the association and available to meet association obligations during the pendency of the appeal. If the appeal is upheld, the amount

paid in error or excess will be returned to the member company. Any final action or order of the office shall be subject to judicial review in a court of competent jurisdiction.

The liquidator, rehabilitator, or conservator of any impaired insurer may notify all interested persons of the effect of this part.

Membership and Assessments

All insurers licensed to sell property and casualty insurance in Florida must be members of the Association in order to transact insurance in Florida. However, the following lines of insurance are not covered by FIGA:

-Life, health, disability, or annuity insurance

-Mortgage or financial guaranty protection

-Fidelity and surety bonds

-Credit, vendors single interest, or collateral protection insurance

-Warranty, including motor vehicle service and home warranties

-Ocean and wet marine insurance

-Any kind of self-insurance

-Title and surplus lines insurance

-Workers compensation and employer's liability insurance

-The transfer of any type of investment or credit risk

The Association assesses member insurers fees to carry out its powers and duties. The Association maintains two accounts for the collection of these fees: the auto liability and auto physical damage account and the account for all other applicable insurance. Assessments are capped at 2 percent of an insurer's net direct written premiums in Florida for a particular calendar year. An additional 2 percent may be assessed for emergency assessments for insolvencies related to hurricanes.

Although the Association pays covered claims, the amount of its payments are limited. Notably, the Association provides for a maximum claim payment of $300,000 on behalf of an insolvent insurer, with the following exceptions:

-An additional $200,000 is provided for damages that are related only to building and contents under policies that provide homeowners insurance

-For policies insuring condominium or homeowners associations if the associations are responsible for insuring the residential units and their attached structures, the lesser of the policy limits or $100,000 multiplied by the number of units.

It is important to note that for the maximum limit of $300,000 to apply, the loss or claim must be worth that amount, and the insured must carry at least that limit of insurance on the insurance policy. For example, if an insured carried a $200,000 property limit on a dwelling and a $100,000 limit for liability insurance, the guaranty association would only be responsible up to those limits despite the fact that $300,000 is available.

All claims are subject to a $100 deductible.

Advertising

An advertisement or a solicitation that uses the existence of the Association in order to sell, solicit, or induce consumers to purchase insurance must explain the coverage limits of the Association, which apply to the type of insurance described in the advertisement or solicitation.

Examinations and Annual Reports

The Department is responsible for regulating and examining the Association. By March 30 each year, the Association's board of directors must submit a financial report to the Department, along with a report of its activities for the preceding year.

Definitions

As used for the Guaranty Association:

"Account" means any of the three accounts created in s. 631.715.

"Association" means the Florida Life and Health Insurance Guaranty Association created in s. 631.715.

"Contractual obligation" means any obligation under covered policies.

"Covered policy" means any policy or contract set out in s. 631.713 and reduced to written, printed, or other tangible form.

"Impaired insurer" means a member insurer deemed by the department to be potentially unable to fulfill its contractual obligations and not an insolvent insurer.

"Insolvent insurer" means a member insurer authorized to transact insurance in this state, either at the time the policy was issued or when the insured event occurred, and against which an order of liquidation with a finding of insolvency has been entered by a court of competent jurisdiction.

"Member insurer" means any person licensed to transact in this state any kind of insurance as set out in s. 631.713.

"Premium" means any direct gross insurance premium and any annuity consideration written on covered policies, less return premium and consideration thereon and dividends paid or credited to policyholders on such direct business. "Premium" does not include premium and consideration on contracts between insurers and reinsurers.

"Person" means any individual, corporation, partnership, association, or voluntary organization.

"Resident" means any person who resides in this state at the time a member insurer is determined to be an impaired or insolvent insurer and to whom contractual obligations are owed by such impaired or insolvent member insurer. A person may be a resident of only one state, which in the case of a person other than an individual shall be the person's principal place of business. Citizens of the United States who are residents of foreign countries or United States possessions, territories, or protectorates that do not have an association similar to the guaranty association created by this part shall be deemed residents of the state of domicile of the issuing the policies or contracts.

Chapter 6 Terminology & New Technology

Throughout this course, we've examined a number of new state and federal laws and regulations that affect the insurance industry as well as the ethical duties adjusters must follow. We've also examined the possible enforcement actions that may be imposed when adjusters violate these rules.

We've conducted a review of some of the initiatives the Department and Office have taken recently to enhance communications with licensees and insurers and to provide consumers with additional product information. We will now review some of the important terms that adjusters must understand in their day-to-day practices.

Affordability Index

An affordability index is a standard developed by the Federal Insurance Office to measure

the affordability of personal auto liability insurance. It is defined as the ratio of the average annual written personal auto liability premium in the voluntary market to the median household income for zip codes in which Affected Persons (traditionally underserved communities and consumers, minorities, and low-to-moderate income persons) are the majority population. Personal auto insurance is presumed to be unaffordable if its affordability index within one of these zip codes is above 2 percent.

Agent-in-Charge
An agent-in-charge is a full-time licensed general lines, life, or health agent who manages an insurance agency. Agents holding other types of licenses are not eligible to act as an agent-in-charge. In Florida, each branch location must have an agent-in-charge. In Florida, each agency must have at least one agent-in-charge per location.

Authorized Insurer
An authorized insurer (also known as an admitted insurer) is a company that is licensed and authorized to transact insurance business in the state of Florida. The Office issues a certificate of authority to authorized companies

Brokering Agent
A brokering agent is an agent in the process of placing a policy through an insurance company with whom he or she does not hold an appointment.

Customer Representative
Customer representatives are individuals appointed by a general lines agent or agency to assist in transacting insurance from that agent's or agency's office. Although customer representatives are not agents, they must be licensed by the Department of Financial Services and appointed by an insurer or employer.

Department of Financial Services
The Department of Financial Services is responsible for regulating Florida's banking, securities, insurance, mortgage lending, and funeral and cemetery businesses. The Department is comprised of numerous divisions, several of which have a role in regulating insurance, including the Division of Agent and Agency Services, the Division of Investigative and Forensic Services, the Division of Rehabilitation and Liquidation, and the Division of Consumer Services. The Chief Financial Officer heads the Department.

Division of Insurance Agent and Agency Services
The Division of Insurance Agent and Agency Services regulates the licensing of individuals and entities that transact insurance. Within this division are the Bureau of Licensing and the Bureau of Investigation: The Bureau of Licensing ensures that licenses are only issued to individuals who meet the state's licensing requirements, while the Bureau of Investigation looks into possible violations of the Florida Insurance Code.

Division of Investigative and Forensic Services
The Division of Insurance Fraud has been renamed and is now known as the Division of Investigative and Forensic Services. The new division, in addition to its insurance investigatory responsibilities, also performs the investigative functions previously undertaken by the Office of Fiscal Integrity and the State Fire Marshall.

Eappoint
eAppoint is the Department's electronic appointment system where insurers can submit appointment applications, renewals, and terminations. They can also check the status of appointment-related submissions and pay any appointment fees that are due.

Ethical Conduct

Ethics are the moral and professional duties an adjuster or producer owes to his or her clients, to the company represented, to competitors, and to the public. Ethics are the embodiment of the standards of professionalism expected of the adjuster in the conduct of his or her business. Ethical conduct is the manner in which these standards are demonstrated and followed in the course of one's business practice.

Federal Insurance Office
The Dodd-Frank Wall Street Reform and Consumer Protection Act established the Federal Insurance Office (FIO) within the Department of the Treasury. The FIO provides advice to Congress about insurance matters and identifies activities that could pose systemic risk to the industry. The FIO represents the United States in international insurance matters and consults with states about national and international insurance issues. It also helps the Treasury Secretary administer the Terrorism Risk Insurance Program.

Florida Insurance Guaranty Association
The Florida Insurance Guaranty Association (FIGA) is a nonprofit entity created by statute to pay certain claims of insolvent property and casualty insurance companies. The Association will pay the valid claims of eligible policyholders, subject to coverage limits. All insurers licensed to sell property and casualty insurance in Florida must be members of the Association.

Mediator
A mediator is an individual approved by the Department to serve in either of two alternate dispute resolution programs, one for property insurance and the other for automobile insurance claims.

MyProfile
MyProfile is the online Web site, maintained by the Department of Financial Services' Division of Insurance Agent and Agency Services, where adjusters, adjusting firms, agents, and insurance agencies can apply for licenses, change their addresses, verify their continuing education status, view messages from the Department, obtain duplicate licenses, and view their appointments.

National Flood Insurance Program
The National Flood Insurance Program (NFIP) was established as part of the National Flood Insurance Act of 1968. The goal of the NFIP is to give property owners access to flood insurance for their homes and property if they live in areas that are subject to frequent flooding. In addition to providing flood insurance and reducing flood damages through floodplain management regulations, the NFIP identifies and maps floodplains in the United States.

Neutral Evaluation Program
The Department operates the Neutral Evaluation Program to resolve disputed sinkhole damage claims. Insurers are required to notify policyholders of the program following the denial of a claim for sinkhole loss.

Office of Insurance Regulation
The Office of Insurance Regulation is responsible for regulating and enforcing state laws governing insurance and monitoring company solvency, policy forms, rates, and market conduct performance. The Office issues certificates of authority to companies intending to transact insurance in Florida.

Terrorism Risk Insurance Program Reauthorization Act of 2015
The Terrorism Risk Insurance Program Reauthorization Act of 2015 extended the Terrorism Insurance Program, which helps cover terrorism losses so that commercial insurers are

willing to offer coverage for terrorism risk.

Unaffiliated Insurance Agent
An unaffiliated insurance agent is a licensed, self-appointed agent who is not affiliated with an insurance company and does not sell insurance. Unaffiliated agents provide insurance counseling services to clients in return for a fee.

Unauthorized Insurer
An unauthorized insurer is a company that is operating without a certificate of authority. It is unlawful for adjusters and agents to transact insurance business with an unauthorized insurer. In Florida, an adjuster who represents or aids an unauthorized insurer can be charged with a third-degree felony and may be held liable for any unpaid premium taxes.

Some of the new technologies and technological terms that Florida adjusters should be familiar with are discussed briefly here

Artificial Intelligence
Artificial intelligence (AI) is the use of computer systems to perform tasks that would have required a human. Some examples of AI include:

-Autonomous automobiles

-Robotic readers

-Robotic callers

-Voice-to-text features

-Mobile check deposits

-Telephone menu navigation

-Automatic translators

Customer Centricity
Customer centricity refers to conducting business in a way that the customer receives a positive experience both before and after the sale of an item or service. An insurance company's customer centric approach generates repeat business, loyalty, and profit.

Digitization
Digitization is the conversion of text, pictures, object, sound, or signal into a digital form that can be processed by a computer. These objects can be stored and then transmitted efficiently between customers and business affiliates.

Electronic Delivery
Nearly anything can be delivered electronically—mail, voice messages, books, and music. Insurance companies use this method to deliver policies, premium notices, proof of coverage, claims status, and other documents.

Electronic Signature
An electronic signature is a sound, symbol, or process, logically associated with a document. It must be unique to each user, under the sole control of the signer, linked to a document in a way that prevents tampering, and capable of authentication. Examples of digital signatures are PIN numbers, passwords, online clicks, and using fingers on a display to trace a signature.

Portal
A portal is a gateway on the Internet to a specific field of interest, an industry, or even a company. Once inside, content is personalized for the user. Insurance company portals provide policyholders with a means of accessing policy information and available services, claims, Web

sites, and applications that enable users to create and share content or to participate in social networking.

Social Media
Social media is any communication channel, for example, Web sites or applications, that enable users to connect. Insurances companies use social media to create a presence and to service existing customers.

Usage Based Insurance (UBI)
Usage based insurance (UBI) is a type of vehicle insurance whereby the cost depends on the time the vehicle is used, the distance traveled, and driving behaviors. This information is automatically transmitted to the insurer by an electronic logging device.