

**FROM:** Director, Worldwide Markets  
**LOCATION:** 86/G12  
**EXTENSION:** 6677  
**DATE:** 19 August 2004  
**REFERENCE:** Y3376  
**SUBJECT:** EMERGENCY ORDER BY FLORIDA'S OFFICE OF INSURANCE REGULATION  
**SUBJECT AREA(S):** Enacted prohibitions on Florida policies following Hurricane Charley  
**ATTACHMENTS:**  
**ACTION POINTS:** All underwriters and managing agents to note the enacted prohibitions  
**DEADLINE:** **Immediate**

### **1. Purpose of bulletin**

To inform the Market of Florida's Office of Insurance Regulation's Emergency Order issued on 18 August 2004 (Case No.: 77677-04-CO) (the "Emergency Order"). This Emergency Order is designed to provide temporary emergency relief to Florida insureds in certain Florida counties by enacting extensions of time and restrictions on cancellations and non-renewals of insurance policies for a set time period.

### **2. The scope of the order**

The order is addressed to **all insurers**, including HMOs, premium finance companies, surplus lines insurers and other entities regulated by the Florida Office of Insurance Regulation.

The order concerns **all** contracts of insurance and other contracts that are subject to regulation under the Florida Insurance Code issued, delivered or covering a risk located in Brevard, Charlotte, DeSoto, Hardee, Lake, Lee, Orange, Osceola, Polk, Sarasota, Seminole, and Volusia Counties.

### **3. Extension of time**

The order gives an extension of time to the insured to perform any act or transmit information or funds required by a policy provision, notice, correspondence, or law, on or after 10 August 2004 to 15 October 2004.

The extension of time does not relieve a policyholder, who has a claim resulting from Hurricane Charley, from complying with their obligations to provide information and cooperate in the claim adjustment process relative to their claim.

The time extension does not apply to new policies incepting on or after 10 August 2004.

No interest, penalties, or other charges, shall accrue or be assessed, as a result of these extensions.

#### **4. Cancellations and non-renewal**

Between 10 August 2004 and 15 October 2004, no insurer or regulated entity shall cancel or non-renew a policy or contract of insurance or issue a notice of cancellation or non-renewal covering a person, property or risk in the referenced counties unless requested by the insured. Additionally, no such policy may be cancelled or non-renewed solely because of claims resulting from Hurricane Charley.

All notices of cancellation or non-renewal or other correspondence issued or mailed the week preceding 10 August 2004 to such insureds must be withdrawn and reissued to the insureds on or after 15 October 2004.

Any insurer who receives a claim from an insured owing premium may offset the premium due from any claim payment made under the policy.

#### **5. Further information**

We have been advised that the Florida Office of Insurance Regulation will be issuing a series of interim rules and or bulletins providing further guidance for insurers in the future.

Please note that there is an appeal provision for parties adversely affected by this Emergency Order. Please contact Lloyd's Worldwide Market Services (contact details found below) for more information.

This Emergency Order is posted on the Florida Office of Insurance Regulation's website: [http://www.fldfs.com/companies/pdf/Emergency\\_Order\\_77677-04-CO.pdf](http://www.fldfs.com/companies/pdf/Emergency_Order_77677-04-CO.pdf)

Please direct any queries to:

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This bulletin has been sent to active underwriters and the compliance officers of managing agents and to Lloyd's brokers.

Julian James  
Director, Worldwide Markets