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OFFICE OF  
INSURANCE REGULATION  
Dictated by: AKB

OFFICE OF INSURANCE REGULATION

KEVIN M. MCCARTY  
COMMISSIONER

IN THE MATTER OF:

CASE NO. 124776-12

Property and Casualty Insurance Policy Form Review  
Under Section 627.410, Florida Statutes.

ORDER EXEMPTING SPECIFIED FORMS FROM THE REQUIREMENTS  
OF SECTION 627.410, FLORIDA STATUTES

Pursuant to Section 627.410(4) Florida Statutes, the Office of Insurance Regulation (the OFFICE) is authorized to exempt any insurance form from filing and approval under Section 627.410, Florida Statutes, where this section may not be practicably applied, or where the filing and approval are not desirable or necessary for the protection of the public. Pursuant to this statutory authority, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter of this Order and the affected parties.
2. In recent legislative sessions, Section 627.062, Florida Statutes has been amended to exempt certain categories or kinds of insurance and types of commercial lines risks from prior rate filing and approval under Sections 627.062(2)(a) and (f), Florida Statutes.
3. The rates for these exempted categories or kinds of insurance and types of commercial lines risks are still subject to all other applicable requirements of Florida Law, including the requirement that such rates not be excessive, inadequate or unfairly discriminatory, pursuant to Section 627.062(1), Florida Statutes. These rate filings are filed as informational filings with the OFFICE.
4. In general, consumers of commercial insurance products are sophisticated parties, and are more experienced in insurance transactions than consumers of personal lines insurance products.
5. The OFFICE has experienced a historically high volume of commercial form filings, which has taxed its review resources and resulted in a lengthier period of review for many commercial forms.

6. Due to the statutory exemption of certain categories or kinds of insurance and types of commercial lines risks from rate filing and approval requirements, in conjunction with consideration of the typical sophistication of commercial insurance consumers and the need to make products available to the commercial marketplace in a timely manner, the OFFICE finds the review and approval of policy forms, as required under Section 627.410, Florida Statutes is not practicable when the form is for use in certain categories or kinds of insurance and types of commercial lines risks, and such form has been diligently and thoroughly reviewed by the company for quality and legal sufficiency to assure compliance with Florida Law.

Pursuant to these findings, it is HEREBY ORDERED:

Effective from the date of this Order, and for a period of one (1) year from the effective date of the Order, any Property and Casualty policy form, policy endorsement, application, or other form, which would otherwise be subject to the requirements of Section 627.410, Florida Statutes, shall be exempted from this Section, but only where:

1. The form is to be utilized in a category or kind of insurance and/or type of commercial lines risk that is exempted from prior rate review and approval pursuant to Section 627.062(3)(d), Florida Statutes; and

2. The form has been submitted in an informational filing to the Office of Insurance Regulation, via an electronic filing made through I-File, thirty (30) days prior to delivery or issuance for delivery of the form within this state; and

3. At the time the informational filing is made, a notarized certification is attached to the filing, and the attachment certifies that each form within the filing is in compliance with all applicable Florida Laws. This certification shall be on company letterhead, and shall explicitly acknowledge that if the representations contained in the certification are later found to be false or inaccurate, the company shall be subject to appropriate regulatory action. The certification shall be made by one of the following individuals: the company president, the company chief executive officer (CEO), the company general counsel, or the chief compliance analyst for the company.

Accordingly, the following language, and no other language, must be contained in the certification:

"I, [name], as [title] of [company name], do hereby certify that this form filing has been thoroughly and diligently reviewed by myself and all

appropriate company personnel, as well as company consultants, if applicable, and I certify each form contained within this filing is in compliance with all applicable Florida Laws, including but not limited to statutes, rules, regulations and court decisions. I acknowledge that, should this certification later be deemed false or inaccurate, [company name] shall be subject to any and all appropriate regulatory actions by the Office of Insurance Regulation."

This certification shall be signed and dated by the president, CEO, general counsel or chief compliance analyst of the company making the certification, and shall be duly notarized.

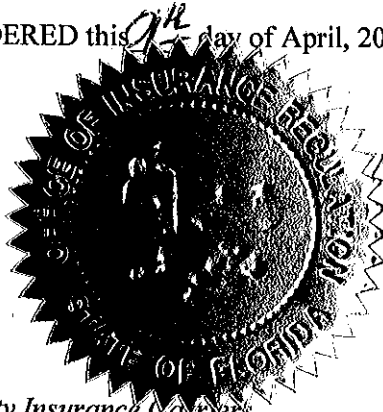
4. If the filing contains a certification that does not meet the requirements of this Order, upon the OFFICE's discovery of the inadequate certification, the form filing will be subject to prior review and approval under Section 627.410, Florida Statutes, and the period for review and approval under Section 627.410(2), Florida Statutes, shall begin to run upon the date the OFFICE notifies the company of the discovery of the inadequate certification.

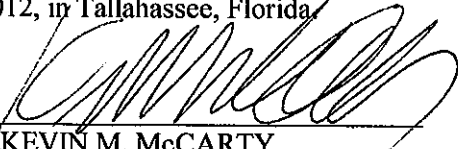
5. The Office may pursue regulatory action against any company that submits a false or inaccurate certification.

6. Where the use of the proposed form or forms within the filing will require the issuance of a "Notice of Change in Policy Terms" form pursuant to Section 627.43141(2), Florida Statutes, a "Notice of Change in Policy Terms" form shall be filed as a part of the informational filing. The accompanying "Notice of Change in Policy Terms" form shall be completed, enumerating all modifications, additions, or deletions of terms, coverages, duties or conditions within the body of the "Notice of Change in Policy Terms" form, as required by Section 627.43141(1), Florida Statutes. At the time the informational filing is made with the OFFICE, the completed "Notice of Change in Policy Terms" form shall also be sent to the company's agents, in order to encourage policyholders to discuss coverage with their insurance agents, pursuant to Section 627.43141(6)(c), Florida Statutes.

Nothing in this Order shall be construed as precluding a company from choosing to pursue full review and approval under Section 627.410, Florida Statutes for any commercial form filing that would otherwise qualify for exemption under this Order.

DONE and ORDERED this <sup>9<sup>th</sup></sup> day of April, 2012, in Tallahassee, Florida



  
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KEVIN M. McCARTY  
Commissioner

Copies furnished to:

*All Property and Casualty Insurance Carriers*