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INSURANCE RULE UPDATES

**FLORIDA ADMINISTRATIVE
WEEKLY**

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Notice of Proposed Rule

DEPARTMENT OF FINANCIAL SERVICES

OIR – Insurance Regulation

RULE NO.: RULE TITLE:

690-162.203: Adoption of 2001 Commissioners Standard Ordinary (CSO) Preferred Mortality Tables for Determining Reserve Liabilities for Ordinary Life Insurance.

PURPOSE AND EFFECT: To adopt changes to the NAIC Model Regulation and explain the conditions for use of the preferred class structure mortality tables and to permit use of the mortality tables for policies issued prior to the adoption date of the original rule.

SUMMARY: Section 625.121(5), F.S., provides that the Commission may adopt by rule the NAIC Model Regulations for valuation of life insurance policies. This rule does that. This rule is being amended due to changes made to the NAIC Model Regulation. The amendment explains the conditions for use of the preferred class structure mortality tables, and permits use of the mortality tables for policies issued prior to the adoption date of the original rule.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has not been prepared by the agency.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: Agency personnel familiar with the subject matter of the rule amendment have performed an economic analysis of the rule amendment that shows that the rule amendment is unlikely to have an adverse impact on the State economy in excess of the criteria established in Section 120.541(2)(a), Florida Statutes. Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: 624.308(1), 625.121 FS.

LAW IMPLEMENTED: 624.307 (1), 625.121 FS.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW (IF NOT REQUESTED, THIS HEARING WILL NOT BE HELD):

DATE AND TIME: February 28, 2012, 9:30 a.m.

PLACE: Room 142, Larson Building, 200 East Gaines Street, Tallahassee, Florida

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 5 days before the workshop/meeting by contacting: Kerry Krantz, Office of Insurance Regulation, E-mail Kerry.Krantz@flor.com. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Kerry Krantz, Office of Insurance Regulation, E-mail Kerry.Krantz@flor.com

THE FULL TEXT OF THE PROPOSED RULE IS:

69O-162.203 Adoption of 2001 Commissioners Standard Ordinary (CSO) Preferred Mortality Tables for Determining Reserve Liabilities for Ordinary Life Insurance.

(1) Scope. This rule shall govern mortality tables for use in reserves as set forth in Section 625.121, F.S.

(2) Purpose. The purpose of this rule is to recognize, permit and prescribe the use of mortality tables that reflect differences in mortality between Preferred and Standard lives in determining minimum reserve liabilities in accordance with Section 625.121(5)(a)3., F.S., and subsection 69O-164.020(5), F.A.C.

(3) Definitions.

(a) "2001 CSO Mortality Table" means that mortality table, consisting of separate rates of mortality for male and female lives, developed by the American Academy of Actuaries CSO Task Force from the Valuation Basic Mortality Table developed by the Society of Actuaries Individual Life Insurance Valuation Mortality Task Force, and adopted by the NAIC in December 2002. The 2001 CSO Mortality Table is included in the Proceedings of the NAIC (2nd Quarter 2002) and supplemented by the 2001 CSO Preferred Class Structure Mortality Table defined below in Subsection (b). Unless the context indicates otherwise, the "2001 CSO Mortality Table" includes both the ultimate form of that table and the select and ultimate form of that table and includes both the smoker and nonsmoker mortality tables and the composite mortality tables. It also includes both the age-nearest-birthday and age-last-birthday bases of the mortality tables. Mortality tables in the 2001 CSO Mortality Table include the following:

1. "2001 CSO Mortality Table (F)" means that mortality table consisting of the rates of mortality for female lives from the 2001 CSO Mortality Table.

2. "2001 CSO Mortality Table (M)" means that mortality table consisting of the rates of mortality for male lives from the 2001 CSO Mortality Table.

3. "Composite mortality tables" means mortality tables with rates of mortality that do not distinguish between smokers and nonsmokers.

4. "Smoker and nonsmoker mortality tables" means mortality tables with separate rates of mortality for smokers and nonsmokers.

(b) "2001 CSO Preferred Class Structure Mortality Table" means mortality tables with separate rates of mortality for Super Preferred Nonsmokers, Preferred Nonsmokers, Residual Standard Nonsmokers, Preferred Smokers, and Residual Standard Smoker splits of the 2001 CSO Nonsmoker and Smoker tables as adopted by the NAIC September 10, 2006, which is available in the NAIC Proceedings (3rd Quarter 2006) which is adopted herein and incorporated by reference. Unless the context indicates otherwise, the "2001 CSO Preferred Class Structure Mortality Table" includes both the ultimate form of that table and the select and ultimate form of that table. It includes both the smoker and nonsmoker mortality tables. It includes both the male and female mortality tables and the gender composite mortality tables. It also includes both the age-nearest-birthday and age-last-birthday bases of the mortality table.

(c) "Statistical agent" means an entity with proven systems for protecting the confidentiality of individual insured and insurer information; demonstrated resources for and history of ongoing electronic communications and data transfer ensuring data integrity with insurers, which are its members or subscribers; and a history of and means for aggregation of data and accurate promulgation of the experience modifications in a timely manner.

(4) 2001 CSO Preferred Class Structure Table.

(a) At the election of the company, for each calendar year of issue, for any one or more specified plans of insurance and subject to satisfying the conditions stated in this rule, the 2001 CSO Preferred Class Structure Mortality Table may be substituted in place of the 2001 CSO Smoker or Nonsmoker Mortality Table as the minimum valuation standard for policies issued on or after January 1, 2007.

1. On valuation dates beginning with December 31, 2010, for policies issued on or after January 1, 2005 for policies not issued in this state, and on or after June 8, 2005, for policies issued in this state, and prior to January 1, 2007 wherever issued, these tables may be substituted at the option of the insurer and subject to the conditions of subsection (5), if the Regulatory Asset Adequacy Issues Summary required by rule Chapter 69O-138, F.A.C. includes, if applicable, the impact of the insufficiency of assets to support the payment of benefits and expenses and the establishment of statutory reserves during one or more interim periods.

2. On valuation dates beginning with December 31, 2010, these tables may be substituted by an insurer not domiciled in this state at its option to value the policies identified in (a)(1). if the insurer provides the office with a statement from the commissioner of its state of domicile that the conditions for substituting these tables required by that state have been met.

(b) No such election shall be made until the company demonstrates at least 20% of the business to be valued on this table is in one or more of the preferred classes.

(c) A table from the 2001 CSO Preferred Class Structure Mortality Table used in place of a 2001 CSO Mortality Table, pursuant to the requirements of this rule, will be treated as part of the 2001 CSO Mortality Table only for purposes of reserve valuation pursuant to the requirements of Rule 69O-162.201, F.A.C., Adoption of 2001 Commissioners Standard Ordinary (CSO) Mortality Tables.

(5) Conditions.

(a) For each plan of insurance with separate rates for Preferred and Standard Nonsmoker lives, an insurer may use the Super Preferred Nonsmoker, Preferred Nonsmoker, and Residual Standard Nonsmoker tables to substitute for the Nonsmoker mortality table found in the 2001 CSO Mortality Table to determine minimum reserves. At the time of election and annually thereafter, except for business valued under the Residual Standard Nonsmoker Table, the appointed actuary shall certify that:

1. The present value of death benefits over the next ten years after the valuation date, using the anticipated mortality experience without recognition of mortality improvement beyond the valuation date for each class, is less than the present value of death benefits using the valuation basic table corresponding to the valuation table being used for that class.

2. The present value of death benefits over the future life of the contracts, using anticipated mortality experience without recognition of mortality improvement beyond the valuation date for each class, is less than the present value of death benefits using the valuation basic table corresponding to the valuation table being used for that class.

(b) For each plan of insurance with separate rates for Preferred and Standard Smoker lives, an insurer may use the Preferred Smoker and Residual Standard Smoker tables to substitute for the Smoker mortality table found in the 2001 CSO Mortality Table to determine minimum reserves. At the time of election and annually thereafter, for business valued under the Preferred Smoker Table, the appointed actuary shall certify that:

1. The present value of death benefits over the next ten years after the valuation date, using the anticipated mortality experience without recognition of mortality improvement beyond the valuation date for each class, is less than the present value of death benefits using the Preferred Smoker valuation basic table corresponding to the valuation table being used for that class.

2. The present value of death benefits over the future life of the contracts, using anticipated mortality experience without recognition of mortality improvement beyond the valuation date for each class, is less than the present value of death benefits using the Preferred Smoker valuation basic table.

(c) The use of the 2001 CSO Preferred Class Structure Table for the valuation of policies issued prior to January 1, 2007 shall not be permitted in any statutory financial statement in which a company reports, with respect to any policy or portion of a policy coinsured, either of the following:

1. In cases where the mode of payment of the reinsurance premium is less frequent than the mode of payment of the policy premium, a reserve credit that exceeds, by more than the amount specified in this paragraph as Y, the gross reserve calculated before reinsurance. Y is the amount of the gross reinsurance premium that (a) provides coverage for the period from the next policy premium due date to the earlier of the end of the policy year and the next reinsurance premium due date, and (b) would be refunded to the ceding entity upon the termination of the policy.

2.a. In cases where the mode of payment of the reinsurance premium is more frequent than the mode of payment of the policy premium, a reserve credit that is less than the gross reserve, calculated before reinsurance, by an amount that is less than the amount specified in this paragraph as Z. Z is the amount of the gross reinsurance premium that the ceding entity would need to pay the assuming company to provide reinsurance coverage from the period of the next reinsurance premium due date to the next policy premium due date minus any liability established for the proportionate amount not remitted to the reinsurer.

b. For purposes of this condition, the reserve (i) for the mean reserve method shall be defined as the mean reserve minus the deferred premium asset, and (ii) for the midterminal reserve method shall include the unearned premium reserve. A company may estimate and adjust its accounting on an aggregate basis in order to meet the conditions to use the 2001 CSO Preferred Class Structure Table.

(6) Effective Date. This rule shall be effective for policies issued on or after January 1, 2007, for valuation dates on or after the date this rule becomes effective.

Rulemaking Specific Authority 624.308(1), 625.121 FS. Law Implemented 624.307(1), 625.121 FS. History—New 1-16-08, Amended _____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Kerry Krantz, Office of Insurance Regulation, E-mail Kerry.Krantz@flor.com

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: Financial Services

Commission

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: June 16, 2011

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: June 11, 2010

Notice of Proposed Rule

DEPARTMENT OF FINANCIAL SERVICES

OIR – Insurance Regulation

RULE NO.: RULE TITLE:

[69O-170.101](#): Title, Scope, Application, and Purpose

[69O-170.103](#): Demand for Arbitration and Response

[69O-170.105](#): Costs, Expenses and Fees of the Arbitration

[69O-170.107](#): Procedure for Arbitration

[69O-170.109](#): Selection of the Arbitration Panel

[69O-170.111](#): Scope of the Evidence in a Rate Filing Arbitration

[69O-170.113](#): Computation of Time; Service by Mail

[69O-170.115](#): Filing and Service of Papers; Signing

[69O-170.117](#): Discovery

[69O-170.119](#): Subpoenas and Witnesses; Fees

[69O-170.121](#): Official Recognition of Facts

[69O-170.123](#): Motion Hearings by Telephone

[69O-170.126](#): Pre-hearing Conference; Pre-hearing Stipulation

[69O-170.127](#): Notice of Final Hearing; Scheduling

[69O-170.129](#): Conduct of Proceedings

[69O-170.131](#): Conduct of Formal Hearing; Evidence

[69O-170.133](#): Post-hearing Memorandum

[69O-170.135](#): Final Decision and Award

[69O-170.137](#): Related Laws and Rules

PURPOSE AND EFFECT: There is no longer statutory authority for Rules 69O-170.101, .103, .105, .107, .109, .111, .113, .115, .117, .119, .121, .123, .126, .127, .129, .131, .133, .135, .137, F.A.C., and therefore this action will completely repeal the rules.

SUMMARY: Section 627.062(6), Florida Statutes, granted insurers the right to arbitrate rate filing disputes with the Office. The section gave the FSC authority to adopt the above referenced rules regarding arbitration of rate filings. Section 627.062(6), Florida Statutes, has been amended to remove the provision for arbitration. Therefore these rules are no longer relevant, nor does the Office any longer have authority for such rules. Consequently, these rules need to be repealed.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has not been prepared by the agency.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: Agency personnel familiar with the

subject matter of the rule repeal have performed an economic analysis of the rule repeal that shows that the rule repeal is unlikely to have an adverse impact on the State economy in excess of the criteria established in Section 120.541(2)(a), Florida Statutes.

Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: [627.062\(6\) FS.](#)

LAW IMPLEMENTED: [627.062 FS.](#)

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW (IF NOT REQUESTED, THIS HEARING WILL NOT BE HELD):

DATE AND TIME: February 27, 2012, 10:30 a.m.

PLACE: Room 142, Larson Building, 200 East Gaines Street, Tallahassee, Florida

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 5 days before the workshop/meeting by contacting: Debra Seymour, Office of Insurance Regulation, E-mail Debra.Seymour@flor.com. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: Debra Seymour, Office of Insurance Regulation, E-mail Debra.Seymour@flor.com

THE FULL TEXT OF THE PROPOSED RULE IS:

69O-170.101 Title, Scope, Application, and Purpose.

~~Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.101, Repealed _____.~~

69O-170.103 Demand for Arbitration and Response.

~~Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.103, Repealed _____.~~

69O-170.105 Costs, Expenses and Fees of the Arbitration.

~~Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.105, Repealed _____.~~

69O-170.107 Procedure for Arbitration.

~~Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.107, Repealed _____.~~

69O-170.109 Selection of the Arbitration Panel.

~~Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.109, Repealed _____.~~

69O-170.111 Scope of the Evidence in a Rate Filing Arbitration.

~~Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.111, Repealed _____.~~

69O-170.113 Computation of Time; Service by Mail.

~~Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.113, Repealed _____.~~

69O-170.115 Filing and Service of Papers; Signing.

Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.115, Repealed _____.

69O-170.117 Discovery.

Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.117, Repealed _____.

69O-170.119 Subpoenas and Witnesses; Fees.

Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.119, Repealed _____.

69O-170.121 Official Recognition of Facts.

Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.121, Repealed _____.

69O-170.123 Motion Hearings by Telephone.

Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.123, Repealed _____.

69O-170.126 Pre-hearing Conference; Pre-hearing Stipulation.

Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.126, Repealed _____.

69O-170.127 Notice of Final Hearing; Scheduling.

Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.127, Repealed _____.

69O-170.129 Conduct of Proceedings.

Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.129, Repealed _____.

69O-170.131 Conduct of Formal Hearing; Evidence.

Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.131, Repealed _____.

69O-170.133 Post-hearing Memorandum.

Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.133, Repealed _____.

69O-170.135 Final Decision and Award.

Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.135, Repealed _____.

69O-170.137 Related Laws and Rules.

Rulemaking Specific Authority 627.062(6) FS. Law Implemented 627.062 FS. History–New 8-31-97, Formerly 4-170.137, Repealed _____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Debra Seymour, Office of Insurance Regulation, E-mail Debra.Seymour@flor.com

NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: Financial Services Commission

DATE PROPOSED RULE APPROVED BY AGENCY HEAD: December 6, 2011

Notice of Proposed Rule

DEPARTMENT OF FINANCIAL SERVICES

OIR – Insurance Regulation

RULE NO.: RULE TITLE:

[69O-200.004](#): Qualification to Obtain and Hold a License

[69O-200.005](#): Use of the Statutory Deposit

[69O-200.006](#): Contractual Liability Insurers

[69O-200.009](#): Form Filings

[69O-200.014](#): Exemption From Financial Examination

[69O-200.015](#): Forms Incorporated by Reference

PURPOSE AND EFFECT: Incorporates into the existing rules a new category of Motor Vehicle Service Agreement Companies: “Motor Vehicle Manufacturers.”

SUMMARY: In Sections 634.011(7) and 634.041(12), Florida Statutes, the legislature created a new category of Motor Vehicle Service Agreement Companies: “Motor Vehicle Manufacturers.” These amendments address the legislative mandate to modify the rules and forms to incorporate this new category.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COSTS AND LEGISLATIVE RATIFICATION:

The Agency has determined that this will not have an adverse impact on small business or likely increase directly or indirectly regulatory costs in excess of \$200,000 in the aggregate within one year after the implementation of the rule. A SERC has not been prepared by the agency.

The Agency has determined that the proposed rule is not expected to require legislative ratification based on the statement of estimated regulatory costs or if no SERC is required, the information expressly relied upon and described herein: Agency personnel familiar with the subject matter of the rule amendment have performed an economic analysis of the rule amendment that shows that the rule amendment is unlikely to have an adverse impact on the State economy in excess of the criteria established in Section 120.541(2)(a), Florida Statutes. Any person who wishes to provide information regarding a statement of estimated regulatory costs, or provide a proposal for a lower cost regulatory alternative must do so in writing within 21 days of this notice.

RULEMAKING AUTHORITY: [634.021](#), [634.031](#), [634.041](#), [634.121](#), [634.1213](#), [634.1216](#), [634.061](#), [634.252 FS](#).

LAW IMPLEMENTED: [634.041\(12\)](#), [637.137\(6\) FS](#).

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE, TIME AND PLACE SHOWN BELOW (IF NOT REQUESTED, THIS HEARING WILL NOT BE HELD):

DATE AND TIME: February 27, 2012, 9:30 a.m.

PLACE: Room 142, Larson Building, 200 East Gaines Street, Tallahassee, Florida

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 5 days before the workshop/meeting by contacting: David Altmaier, Office of Insurance Regulation, E-mail David.Altmaier@flor.com. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS: David Altmaier, Office of Insurance Regulation, E-mail David.Altmaier@flor.com

THE FULL TEXT OF THE PROPOSED RULE IS:

69O-200.004 Qualification to Obtain and Hold a License.

(1) An applicant must submit legible fingerprint cards, investigative background checks and biographical statements on Form OIR-CI-1423422, incorporated by reference in Rule 69O-200.015, F.A.C., for the following:

(a) Officers, directors, and stockholders holding 10% or more of the outstanding voting stock of the applicant and of any company or entity which has control over the applicant;

(b) Officers and directors of the applicant and of any company or entity having which has control over the applicant; and,

(c) Partners, members, stockholders and other individuals holding a voting interest of 10% or more in any greater shares of outstanding stock of the applicant and any company or entity having direct or indirect which has control over the applicant.

(2) An applicant that is a motor vehicle manufacturer, as defined in Section 634.011(7), Florida Statutes, must submit legible fingerprint cards, investigative background checks and biographical statements on Form OIR-CI-1423 for all officers and directors of the applicant only.

~~(3)(2)~~ Subsequent to the date of licensure, individuals who become associated with the motor vehicle service agreement company in any of the above capacities shall submit the information required in subsection (1) above; however, those individuals who become associated with an agreement company which:

(a) Manufacturers motor vehicles;

(b) Demonstrates it has they have a gap net worth in excess of \$100,000,000, as reported under generally accepted accounting principles (GAAP);

(c) Annually files with the Office a 10K Report; and,

(d) Annually notifies the Office in writing of any changes in officers (Executive Vice Presidents and above) and directors of the agreement company, shall be exempt from the requirements of subsection (1).

(4) Individuals named as officers or directors of a motor vehicle manufacturer licensee must within 45 days submit legible fingerprint cards, investigative background checks and biographical statements on Form OIR-CI-1423 for those officers and directors directly overseeing the Florida service contract operations, unless the licensee is exempt under subsection (3) above or subsection (7) below.

(5) In addition to background requirements for newly associated individuals, as noted in subsections (1) through (4) above, an acquisition filing pursuant to Section 628.4615, Florida Statutes, will require updates of previously filed background documentation for material changes.

~~(6)(3)~~ Motor vehicle service agreement companies are required to notify the Office in writing within 15 days of any change in the corporate name, business name, address or phone number of the company.

~~(7)(4)~~ The Office will may, at its discretion, waive any of the above provisions if the applicant or licensee can satisfy the Office that the documents are not required in determining if the individual(s) in question can manage the company and its affairs and is competent and trustworthy. The following criteria will be considered by the Office in making this determination:

(a) The financial condition of the applicant or licensee;

(b) The financial condition of the companies having control over the applicant or licensee;

(c) The history and structure of the companies;

(d) The A.M. Best rating of all insurance companies involved; and,

(e) The position held by the individual(s) in question.

(8) Subsequent to the date of licensure, a motor vehicle service agreement company may submit in writing a request to the Office that, for future reporting and compliance requirements, it be recognized as a motor vehicle manufacturer as defined in Section 634.011(7), Chapter 634, F.S. Such request must be certified by an officer of the licensee and must include documentation that clearly sets forth how the licensee meets the definition in Section 634.011(7), F.S.

Rulemaking Specific Authority 634.021 FS. Law Implemented 634.041 FS. History–New 5-26-93, Formerly 4-200.004, Amended _____.

69O-200.005 Use of the Statutory Deposit.

The deposit required under Section 634.052, Florida Statutes, may be used in the funding of the 15 40% reserve deposit required under Section 634.041~~(8)(a)(3)(12)~~, Florida Statutes.

Rulemaking Specific Authority 634.021 FS. Law Implemented 634.052 FS. History–New 5-26-93, Formerly 4-200.005, Amended _____.

69O-200.006 Contractual Liability Insurers.

(1) The insurer issuing a contractual liability policy shall, prior to approval by the Office be a property and casualty insurer with a Florida certificate of authority which indicates it may write “other liability insurance” or “auto warranties.”-

(2) All insurers issuing contractual liability policies to motor vehicle service agreement companies must, at a minimum, use policy provisions providing policyholder protection substantially equivalent to and not materially in conflict with that provided in the sample contractual liability policy Form OIR-969, incorporated by reference in Rule 69O-200.015, F.A.C. A policy is in violation of this subsection only if it is in violation of a statute or rule. Rulemaking Specific Authority 634.021 FS. Law Implemented 634.041 FS. History–New 5-26-93, Formerly 4-200.006, Amended _____.

69O-200.009 Form Filings.

Rulemaking Specific Authority 634.021 634.121 FS. Law Implemented 634.121 634.021 FS. History–New 5-26-93, Formerly 4-200.009.

69O-200.014 Exemption From Financial Examination.

(1) The Office may, upon receipt of a written request, grant an exemption from the financial examination required by Section 634.141, Florida Statutes.

(2) A company applying for exemption must first submit documentation that demonstrates that the company:

- (a) Has a statutory net worth in excess of \$500 million;
- (b) Has been licensed as a motor vehicle service agreement company for more than 6 years;
- (c) Is publicly traded on the New York Stock Exchange;
- (d) Files an annual report on the Office’s form on or before March 1 of each year; and
- (e) Files with the Office its current Form 10K and 10Q, within 30 days of filing with the Securities and Exchange Commission;

(f) Annually by ~~On or before March 1, 1993 and in three year intervals thereafter,~~ files a written request for the exemption. This request for exemption shall be accompanied by an exemption fee of \$2000 to be deposited into the Chief Financial Officer’s Regulatory Trust Fund.

(3) Motor vehicle manufacturers, as defined in Section 634.011(7), Florida Statutes, must only comply with paragraph (2)(f) above to apply for exemption from examination.

Rulemaking Specific Authority 634.021 FS. Law Implemented 634.141, 634.416 634.1216 FS. History–New 5-26-93, Formerly 4-200.014, Amended _____.

69O-200.015 Forms Incorporated by Reference.

(1) The following forms are incorporated into this rule chapter by reference to implement the provisions of Chapter 634, Part I, Florida Statutes:

Title	Form Number
(a) Application Cover Letter	OIR-CI-982 (02/92)
(b) Application Instructions	OIR-CI-994 (02/92)
(c) Application Checklist	OIR-CI-993 (02/92)
(d) Invoice	OIR-CI-990 (02/92)
(d)(e) Fingerprint Fee Invoice	OIR-CI-903 (09/91)
(e)(f) Application for License as a Motor Vehicle Service Agreement Company	OIR-CI-469 (02/92)
(f)(g) Consent to Service of Process	OIR-CI-144 (11/90)
(g)(h) Resolution Form	OIR-CI-514 (11/90)
(h)(i) Statement of Acquisition	OIR-CI-448 (05/89)
(i)(j) Sample Contractual Liability Policy	OIR-CI-969 (08/92)
(j)(k) Instructions for Deposit	OIR-CI-992 (05/94)
(k)(l) List of Salesman	OIR-CI-995 (02/92)
(l)(m) Management Information	OIR-CI-844 (10/91)
(m)(n) Stockholder Listing	OIR-CI-973 (10/91)
(n)(o) Biographical Statement	OIR-CI-1423422 (09/08) (11/90)

(p) Abbreviated Biographical	OIR-CI-449 (01/91)
(o) (q) Release of Information	OIR-CI-450 (08/92)
(p) (r) Equifax Instructions	OIR-CI-934 (10/91)
(q) (s) Fingerprint Instructions	OIR-CI-938 (04/91)
(r) (t) Annual Statement	OIR-A3-467 (01/92)
(s) (u) Quarterly Report	OIR-A3-466 (02/87)
(t) Application for License Motor Vehicle Service Agreement Company Manufacturer.	OIR-A3-1983 (02/09)
(u) Annual Report for Motor Vehicle Manufacturers.	OIR-A3-1984 (01/10) OIR-A3-1985 (01/10)
(v) Application for Exemption from Field Examination.	OIR-A3-2019 (01/10)
(w) Application for License Continuance Motor Vehicle Service Agreement Company.	

(2) These forms are effective on the dates referenced above. Copies of the forms may be obtained from the Office of Insurance Regulation at www.floir.com (Type the form number into the search function).
 Rulemaking Specific Authority 634.021 FS. Law Implemented 634.041, 634.061, 634.071, 624.501, 634.161, 634.252 FS.
 History- New 6-25-90, Formerly 4-114.015, Amended 5-26-93, 6-6-94, Formerly 4-200.015, Amended.

NAME OF PERSON ORIGINATING PROPOSED RULE: David Altmaier, Office of Insurance Regulation, E-mail David.Altmaier@floir.com
 NAME OF AGENCY HEAD WHO APPROVED THE PROPOSED RULE: Financial Services Commission
 DATE PROPOSED RULE APPROVED BY AGENCY HEAD: December 6, 2011
 DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW: October 16, 2009

Notice of Meeting/Workshop Hearing

[OTHER AGENCIES AND ORGANIZATIONS](#)

[Citizens Property Insurance Corporation](#)

The Information Systems Advisory Committee (ISAC) announces a telephone conference call to which all persons are invited.

DATE AND TIME: Wednesday, February 8, 2012, 11:00 a.m.

PLACE: Conference Call: 1(866)361-7525, ID: 4869641229# NOTE: This is a REVISED number from previously published information

GENERAL SUBJECT MATTER TO BE CONSIDERED: Business before the ISAC Committee.

A copy of the agenda may be obtained by contacting: The Corporate website: <https://www.citizensfla.com> or Stephanie Martin at (850)519-3515.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 5 days before the workshop/meeting by contacting: Stephanie Martin at (850)519-3515. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

Notice of Meeting/Workshop Hearing

[OTHER AGENCIES AND ORGANIZATIONS](#)

[Citizens Property Insurance Corporation](#)

The Citizens Property Insurance Corporation, Claims Committee announces a public meeting to which all persons are invited.

DATE AND TIME: February 9, 2012, 1:00 p.m. (EST)

PLACE: Teleconference Call: 1(866)361-7525, Conference Code: 5219676193#

GENERAL SUBJECT MATTER TO BE CONSIDERED: Items of discussion include, but are not limited to, business before the Claims Committee.

A copy of the agenda may be obtained by contacting: Debbie Rambo, (904)407-0384.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least days before the workshop/meeting by contacting: Debbie Rambo, (904)407-0384. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

For more information, you may contact: Debbie Rambo, (904)407-0384.

Notice of Meeting/Workshop Hearing

[OTHER AGENCIES AND ORGANIZATIONS](#)

[Florida Workers' Compensation Joint Underwriting Association, Inc](#)

The FWCJUA, Operations Committee announces a telephone conference call to which all persons are invited.

DATE AND TIME: February 16, 2012, 10:00 a.m. (Eastern Time)

PLACE: To participate in the teleconference meeting, please contact: Kathy Coyne at (941)378-7408

GENERAL SUBJECT MATTER TO BE CONSIDERED: The agenda items shall include budget expense consideration, disaster recovery, and a report on operations.

A copy of the agenda may be obtained by contacting: Kathy Coyne at (941)378-7408 or from FWCJUA's website: www.fwcjua.com.
