

FROM: Director, Worldwide Markets                      EXTN: 6677

DATE: 6 December 2004                                      REF: Y3446

SUBJECT:                      **FLORIDA OFFICE OF INSURANCE REGULATION: ACTION TO ENSURE  
CONTINUED COMPLIANCE WITH CLAIMS REQUIREMENTS**

SUBJECT AREA(S): Claims adjustment procedures following Florida hurricanes

ATTACHMENTS: Affidavit Part II

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ACTION POINTS:                      **Urgent - Underwriters and Managing Agents to note**

DEADLINE(S):                      **See below**

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## 1. Purpose of the bulletin

To remind managing agents of imminent deadlines for specified actions in relation to claims, the submission of affidavits and the provision of lists of claims relating to recent Florida hurricanes.

This bulletin is a follow-up to:

Market Bulletin Y3433 "Florida Office of Insurance Regulation – Emergency Rule 69OER04-19 – Claims Adjustment Requirements", issued 18 November 2004; and

Market Bulletin Y3429 Florida Office of Insurance Regulation – Emergency Rule 69OER04-19 – Claims Adjustment Requirements – Guidance on Submission of Affidavits", issued 24 November 2004.

The bulletin also reminds managing agents of the need to ensure that coverholders and others with claims settling authority have sufficient funds to continue to settle claims over the year end period.

## 2. Requirements

Details of Emergency Rule 60OER04-19 - Claims Adjustment Requirements – are given in the above Market Bulletins. Managing agents and coverholders carrying on the business to which it relates will have filed the required Part I affidavits on Monday, 29 November 2004. This affidavit required confirmation of one out of three statements. The second statement was that:

"All personal lines residential property claims related to Hurricanes Charley, Frances and Tropical Storm Bonnie damage in Florida reported to Lloyd's on or before October 21, 2004, did not meet all conditions and requirements of Emergency Rule 69OER04-19.

A listing of each claim not in compliance as of November 22, 2004, will be provided to the Office of Insurance Regulation no later than **December 7, 2004**." (Emphasis added).

Any managing agent or coverholder who attested to this statement should ensure that the listing of claims is provided to the Florida Office of Insurance Regulation by the required date.

Part II affidavits are shortly due to be filed.

The requirement to file Part II affidavits arises in relation to:

- Personal lines residential claims in Florida;
- Relating to Hurricanes Ivan or Jeanne;
- Filed with an insurer by close of business on 8 November 2004.

In respect of these claims, the insurer must have done the following by close of business on **Wednesday 8 December 2004**:

- a) All insureds entitled to additional living expenses will have been advanced appropriate funds
- b) All damage will have been evaluated and an initial assessment of the loss will have been made
- c) A good faith and reasonable effort will have been made to settle all claims and, where applicable, earnest negotiations towards settlement of disputed claims will have begun.

Each insurer (in the case of Lloyd's business, each managing agent or coverholder) with claims that meet the above conditions must file a Part II affidavit by **Wednesday 15 December**.

A copy of the affidavit that should be filed is attached. Information about how to arrange and submit the affidavit is set out in Market Bulletin Y3433.

As with the Part II affidavit, attesting to the second statement will require the subsequent submission of a listing of claims, this time by **Thursday 23 December**.

Managing agents should ensure that coverholders acting on their behalf in relation to Florida personal lines residential claims arising from these hurricanes are aware of these deadlines.

### **3. Processing Lloyd's business at year-end**

Xchanging issued market communication 2004/113 on 12 October 2004, on year-end processing. This stated that, for Lloyd's business processing:

"...the last day for processing into settlement this year will be Tuesday 21 December 2004.

"Both Xchanging Ins-sure Services and Xchanging Claims Services will be operating normally after 21 December, but will not be releasing Lloyd's accounting entries into the settlement and advising systems until January 2005. Special arrangements will again be established to deal with urgent claim payments outside of central accounting, should the need arise."

The attachment to this communication further stated that:

"The last Lloyd's settlement date in 2004 will be Friday 24 December. There will be no settlements on 29, 30 and 31 December 2004. The first settlement in 2005 will be Friday 7 January 2005, i.e. there will be no settlements on 4, 5 and 6 January 2005."

And:

"There is no cut-off date for 2004 presentations but Xchanging Ins-sure Services do not guarantee allocation of a 2004 signing date. Work presented to the London Market Document Centre after Tuesday 14 December is unlikely to receive a 2004 signing date."

Managing agents should therefore take steps to ensure that coverholders and others acting on their behalf in the settlement of claims have access to sufficient funds for them to continue to settle claims over this period.

#### **4. Further information**

If you have any queries about this bulletin please contact Lloyd's Worldwide Market Services:

Lloyd's Worldwide Markets Services  
Tel: 020 7327 6677  
Email: [market.services@lloyds.com](mailto:market.services@lloyds.com)  
Box 190b, Gallery 1

Questions about the processing of business should be directed to Xchanging's 'Enquire' team on Lloyd's extension 2999 or email: [enquire@xchanging.com](mailto:enquire@xchanging.com).

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

AFFIDAVIT OF COMPLIANCE WITH  
EMERGENCY RULE 69OER04-19  
PART II  
Hurricanes Ivan and Jeanne

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

BEFORE ME, the undersigned authority, personally appeared \_\_\_\_\_,  
who, being duly sworn, deposes and says:

1. My name is \_\_\_\_\_. I am the duly authorised representative of  
\_\_\_\_\_ a Lloyd's [managing agent] [coverholder]\*

2. I have personal knowledge of insurer's compliance with Emergency Rule 69OER04-19, and  
the conditions and requirements of said rule.

3. I hereby attest (or attest based upon my best knowledge, based upon the best knowledge  
available, after a reasonable and thorough investigation) that as of December 8, 2004 (Initial the  
following paragraph that applies):

\_\_\_\_\_ All personal lines residential property claims related to  
Hurricanes Ivan and Jeanne in Florida reported to Lloyd's on or before  
November 8, 2004, meet all conditions and requirements of  
Emergency Rule 69OER04-19.

\_\_\_\_\_ All personal lines residential property claims related to  
Hurricanes Ivan and Jeanne damage in Florida reported to Lloyd's on or  
before November 8, 2004, did not meet all conditions and requirements of  
Emergency Rule 69OER04-19. A listing of each claim not in compliance as of  
December 8, 2004, will be provided to the Office of Insurance Regulation no  
later than December 23, 2004.

\_\_\_\_\_ No personal lines residential property claims related to Hurricanes  
Ivan and Jeanne damage in Florida were reported to Lloyd's as of November  
8, 2004.

FURTHER AFFIANT SAYETH NAUGHT.

\_\_\_\_\_

[Sworn to and subscribed before me  
The undersigned authority this \_\_\_\_\_  
Day of \_\_\_\_\_, 2004

[Sworn at

Before me

NOTARY PUBLIC  
STATE OF \_\_\_\_\_

A solicitor of the Supreme Court of  
England and Wales]\*

My commission Expires: ]\*

\* Delete as appropriate