

**IN THE CIRCUIT COURT OF THE ELEVENTH JUDICIAL CIRCUIT
IN AND FOR MIAMI-DADE COUNTY, FLORIDA**

FLORIDA ASSOCIATION OF PUBLIC
INSURANCE ADJUSTERS, INC. and
NATIONAL ASSOCIATION OF PUBLIC
INSURANCE ADJUSTERS, INC.,

CASE NO: 2025-019878-CA-01
COMPLEX BUSINESS DIVISION

Plaintiffs,

v.

VELOCITY RISK UNDERWRITERS, LLC,

Defendant.

_____ /

AMENDED COMPLAINT

Plaintiffs Florida Association of Public Insurance Adjusters, Inc. (“FAPIA”) and National Association of Public Insurance Adjusters, Inc. (“NAPIA”) (“Plaintiffs”) bring this action against Defendant Velocity Risk Underwriters, LLC (“Velocity” or “Defendant”) and allege:

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I. NATURE OF ACTION

1. Defendant uses an “Anti-Public Adjuster Endorsement” in its insurance policies to prevent Florida policyholders from hiring a Florida-licensed Public Adjuster to help them investigate, estimate, present and process an insurance claim after their covered property is damaged.

2. If a policyholder nonetheless retains a Florida-licensed Public Adjuster, Defendant refuses to deal with the Public Adjuster, refuses to process the policyholder’s claim, and threatens to forfeit (or cancel) the policyholder’s coverage. Unsurprisingly, policyholders capitulate. If the insured does not give up and give in to Defendant’s coercive tactics, then Defendant refuses to act on the claim, canceling or effectively canceling the insured’s coverage.

3. The Anti-Public Adjuster Endorsement (also referred to in this Amended Complaint as the “Endorsement”) thus prevents insureds and Florida-licensed Public Adjusters from entering into contracts that are authorized by law for the preparation and presentation of first-party property claims and undermines and boycotts or refuses to deal with a legitimate profession (*i.e.*, Florida-licensed Public Adjusters) recognized by statute and licensed and regulated by the State of Florida. This lawsuit seeks a declaration that the anti-consumer, anti-competitive, unfair and deceptive Anti-Public Adjuster Endorsement is a violation of the Florida Deceptive and Unfair Trade Practices Act, §§ 501.201 *et seq.*, Fla. Stat., and that Defendant be enjoined from its use in the State of Florida.

4. Furthermore, as alleged below, Defendant – acting in concert with out-of-State insurers for whom it serves as managing general agent (or “MGA”) in the Florida surplus lines property insurance market – has conspired and agreed to exclude Florida-licensed Public Adjusters from competing with adjusters beholden to Defendant. This lawsuit therefore also seeks a declaration that the agreement between the Defendant and its out-of-State insurer co-conspirators constitutes an unlawful restraint of trade in violation of the Florida Antitrust Act, § 542.18, Fla. Stat., and an injunction prohibiting Defendant from enforcing, entering into, using, or requiring such an agreement in the State of Florida.

5. The Anti-Public Adjuster Endorsement also is unenforceable because it purports to condition coverage upon post-loss conduct that does not, as a matter of law, prejudice Defendant or its subscribing insurers, and because it is contrary to Florida public policy as set forth in the statutes and regulations governing the licensure of Public Adjusters and all insurance adjusters. Plaintiffs thus request a declaration that the Anti-Public Adjuster Endorsement is unenforceable under Florida common law, and that Defendant cannot decline or restrict a policyholder’s coverage because the policyholder hired a Florida-licensed Public Adjuster.

II. BACKGROUND

6. Defendant Velocity represents surplus lines property and casualty insurers – *i.e.*, carriers that offer insurance policies to Florida consumers under policies unregulated as to form or rate. When surplus lines policyholders sustain losses, such as after a hurricane, they need an insurance adjuster in their corner to assist in preparing and processing their claim for coverage and payment of the loss. Among other reasons, most policyholders have little or no experience navigating the insurance claims process and estimating the value of property losses.

7. There are basically two kinds of insurance adjusters under applicable Florida law. One is an “all-lines adjuster” employed by the insurer (a “company employee adjuster,” *see* § 626.856, Fla.

Stat.) or by a firm that provides services only to insurers (an “independent adjuster,” *see* § 626.855, Fla. Stat.). Such adjusters work exclusively on behalf of insurers (and are not independent); these adjusters are referred to in this Amended Complaint as an “Insurer’s Adjuster.” Insurer’s Adjusters are prohibited from acting as Public Adjusters. *See* § 626.864, Fla. Stat.

8. The other kind of adjuster is a Public Adjuster. A Public Adjuster exclusively represents the interests of the insured in investigating, estimating, presenting, and processing an insurance claim after the insured’s property is damaged, and then negotiating for or effecting the settlement of a claim for loss or damages covered by an insurance policy in exchange for compensation. *See* § 626.854(1), Fla. Stat.

9. The public adjusting profession has been recognized by and regulated under Florida law for more than seventy years. *See* § 636.011(5), Fla. Stat. (1953); *Larson v. Lesser*, 106 So. 2d 188 (Fla. 1958). A Public Adjuster must be licensed and is subject to statutory and regulatory standards, including, but not limited to: comprehensive ethical obligations, restrictions on the form and content of the adjuster’s agreement with an insured; requirements for communications with the insured and the insurer; a bond requirement; and restrictions on the time and manner of solicitation. *See generally* § 626.851, Fla. Stat. *et seq.* and Fla. Admin. Code R. 69B-220.051, 69B-220.201. Plaintiffs FAPIA and NAPIA represent the interests of the hundreds of Florida-licensed Public Adjusters who are among their members.

10. Public Adjusters compete with Insurer’s Adjusters to investigate, estimate, present and process insureds’ property insurance losses for purposes of setting claim values. Available data shows that Florida insureds represented by Public Adjusters are generally reimbursed more completely on their claims; that is, insureds receive more money on their claims using Public Adjusters than they would have relying upon an Insurers’ Adjuster’s assessment. *See, e.g.*, Florida Office of Program

Policy Analysis & Government Accountability (“OPPAGA”) Report No. 10-06 (Jan. 2010), at p. 7-8. Indeed, Velocity admits that it derives tremendous financial benefit from the use of the Endorsement. Velocity’s Anti-Public Adjuster Endorsement is intended to be, and is, exclusionary in its purpose and effect as it prevents Public Adjusters from providing competitive claims adjusting services to value an insured’s loss claim. The collective agreement among Velocity and its co-conspirators to uniformly include terms within their insurance contracts that preclude the insureds from retaining the beneficial services of Public Adjusters also eliminates competition among the insurance companies to offer more attractive terms and conditions to insureds in order to procure their business; and it restricts competition between Florida-licensed Public Adjusters and Florida-licensed lawyers to provide Post-Loss Claim Services that are not the practice of law.

11. Velocity’s Anti-Public Adjuster Endorsement forecloses the insured’s consultation with the very professionals recognized and licensed by the State of Florida to assist them. Without the option of retaining a Public Adjuster, competition is suppressed and the insured does worse going it alone. Velocity even asserts that the Anti-Public Adjuster Endorsement restricts an insured’s attorney from consulting with a Public Adjuster to estimate an insured client’s loss.

12. After a loss, the Endorsement applies and affects the insured when he/she/it is most vulnerable or susceptible to the coercive effects of the Endorsement.

13. An example of Velocity’s Anti-Public Adjuster Endorsement reads as follows:

It is understood and agreed that a condition of this **POLICY** is that the **NAMED INSURED** shall not hire, engage, retain, contract with, or otherwise utilize the services of a public adjuster, whether or not licensed in the state where the property is located or any other jurisdiction to inspect, evaluate, or adjust any loss covered by the **POLICY**.

14. The self-evident unfairness and anti-competitive nature of the Anti-Public Adjuster Endorsement is magnified by Velocity’s deceptive claims settlement practices. For example, Velocity’s retained Insurer’s Adjusters are instructed to refuse any contact with Public Adjusters hired

by policyholders; to cease processing the claims of policyholders that hire Public Adjusters; and to threaten policyholders with breach of the insurance policy and forfeiture of coverage if they do not immediately terminate any engagement of a Public Adjuster. This conduct essentially cancels the coverage, because Defendant will not resume processing the policyholder's claim unless satisfied that the Public Adjuster has been terminated. If all of its threats and coercion fail, then Defendant will cancel, or effectively cancel, the policy.

15. The Endorsement and Velocity's claims settlement practices are unfair and deceptive to insureds because, among other reasons, the Anti-Public Adjuster Endorsement is unenforceable as a matter of law. It is well-settled under Florida law that an insured's breach of a post-loss condition – *i.e.*, per Velocity, the insured's act of hiring a Public Adjuster to assist with making or settling a claim – does not limit coverage unless that breach causes material prejudice to the insurer. A Public Adjuster investigates the loss, values the loss, presents the loss, and negotiates with the insurer regarding that loss. Neither an insured's consultation with and representation by a licensed professional (*i.e.*, the Public Adjuster) nor the insurer's payment of covered loss is material prejudice to an insurer as a matter of law.

16. Velocity's Anti-Public Adjuster Endorsement is an unfair trade practice, contrary to Florida public policy, and unenforceable as a matter of law. The Court should declare the Anti-Public Adjuster Endorsement in violation of FDUTPA and should enjoin its use. Additionally, Velocity's agreement with the out-of-State co-conspirator insurers is anti-competitive, and this Court should declare that it constitutes an unreasonable restraint of trade in violation of the Florida Antitrust Act and enjoin its enforcement and use. Additionally, the Court should declare the Endorsement – and its contemplated forfeiture of insurance coverage – unenforceable as a matter of Florida law because it is an unenforceable post-loss condition of coverage and is contrary to Florida public policy.

III. THE PARTIES

17. FAPIA is a membership organization and Florida not-for-profit corporation. FAPIA has been active in representing the interests of Florida Public Adjusters for more than 30 years. FAPIA's mission, among other things, is to organize and unite the public adjusting profession for the benefit of the insured citizens of Florida, to establish high standards of professional conduct and efficiency among its members, to study and assist in carrying out all laws and regulations governing the public adjusting profession, and to advance and protect the interests of its members. FAPIA's membership includes approximately 650 Florida Public Adjusters.

18. NAPIA is a membership organization and Maryland corporation authorized to do business in the State of Florida. NAPIA was founded in 1951 to professionalize the then small but growing profession of public adjusting. At that time, NAPIA enacted a Constitution and Bylaws and a stringent code of ethics that serve as the model for public adjusting today. For over 70 years since its founding, NAPIA has worked to assure that Public Adjusters – who are the only professionals specifically licensed and regulated to prepare first-party property claims for consumer or commercial insureds – practice in an ethical and accountable way. NAPIA counts among its nationwide membership sixteen (16) Florida public adjusting firms and more than fifty (50) Florida-licensed Public Adjusters.

19. Plaintiffs FAPIA and NAPIA have “associational standing” to bring the claims asserted in this Amended Complaint in a representative capacity on behalf of their affected members because, among other reasons: (i) a substantial number of their members are Florida-licensed Public Adjusters who are substantially affected by the Anti-Public Adjuster Endorsement and would have standing to bring these claims in their own right; (ii) the Anti-Public Adjuster Endorsement and the claims asserted in this Amended Complaint are germane to each of FAPIA and NAPIA's purposes, as both entities exist to represent and advocate for the interests of Florida-licensed Public

Adjusters; (iii) the relief sought – namely, injunctive and declaratory relief – is of the type appropriate for trade associations to pursue on behalf of their members and does not require the participation of individual members; and (iv) the Anti-Public Adjuster Endorsement constitutes an exclusionary restraint that forecloses competition, thereby inflicting antitrust injury on Plaintiffs’ affected members. Plaintiffs’ affected members are the direct and immediate objects of this restraint, and therefore Plaintiffs are efficient enforcers of the antitrust laws.

20. The declaratory and injunctive relief requested in this Amended Complaint will also benefit Florida consumers that purchase Defendant’s insurance policies containing the Anti-Public Adjuster Endorsement.

21. Defendant Velocity is a limited liability company doing business in the State of Florida as a managing general insurance agent (“MGA”). Velocity acts as MGA or “managing general underwriter” for out-of-State insurers underwriting risks in the Florida surplus lines property insurance market. Velocity sells itself as a “property specialist MGA” writing insurance against “property catastrophe” in Florida and around the United States on behalf of insurers.

22. Velocity sells surplus lines property policies to Florida consumers, including those in Miami-Dade County, using its own policy form, which contains the Anti-Public Adjuster Endorsement, and with non-resident insurers each underwriting a certain percentage of the covered risk. Velocity’s Florida registered agent is Corporation Service Company, 1201 Hays Street, Tallahassee, Florida 32301. As of 2024-2025, Velocity underwrote thousands of policies in the State of Florida involving millions of dollars of premiums. This includes many policies in Miami-Dade County involving substantial premiums.

IV. JURISDICTION AND VENUE

23. This Court has subject matter jurisdiction over this action under § 26.012(2), Fla. Stat.

24. This case is subject to mandatory assignment to the Court's Complex Business Litigation Division because the amount in controversy relating to the requested declaratory and injunctive relief exceeds \$750,000; the factors identified in Florida Rule of Civil Procedure 1.201 and Administrative Order No. 25-01 favor the use of complex litigation procedures because of the likelihood of numerous pretrial motions raising difficult or novel legal issues; and the outcome of this case has the potential to have a significant impact on the business of Florida Public Adjusters and Florida Public Adjuster firms that are members of FAPIA or NAPIA.

25. Venue is proper in this Court pursuant to § 47.011, Fla. Stat., because, among other reasons, the causes of action asserted in this Amended Complaint accrued in Miami-Dade County due to Plaintiffs' members doing business in Miami-Dade County and the adverse impact of the Anti-Public Adjuster Endorsement therefore is felt there; Velocity sells policies covering risks in Miami-Dade County; Velocity has sold policies covering risks in Miami-Dade County that contain the Anti-Public Adjuster Endorsement; and Velocity has enforced its Anti-Public Adjuster Endorsement against policyholders in Miami-Dade County.

26. This Court has personal jurisdiction over Defendant pursuant to § 48.193(1)(a)(1), (4) and § 48.193(2), Fla. Stat., because, among other reasons, the Defendant: (i) operates, conducts, engages in, or carries on business or a business venture in the State of Florida; (ii) contracted to insure a person, property, or risk located within the State of Florida at the time of contracting; and (iii) is otherwise engaged in substantial and not isolated activity within the State of Florida.

V. GENERAL ALLEGATIONS

A. Florida's Public Policy Recognizing and Licensing the Public Adjusting Profession is Long- and Well-Established

27. Florida-licensed Public Adjusters represent insureds in the investigation, preparation, filing and adjusting of insurance claims. Among other activities, Florida-licensed Public Adjusters

assist insureds in understanding the extent of coverage for a loss; complying with post-loss duties; preparing a claim for covered loss; estimating the monetary value of the loss; assessing the insurer's loss estimate; and working with the insurer to reach a full and fair settlement of the loss claim for the benefit of the insured.

28. Without the assistance of a Florida-licensed Public Adjuster, most insureds are disadvantaged at every stage of the post-loss insurance claim process because they lack the Public Adjuster's experience with insurance policy terms and conditions, loss valuation, and negotiations with Insurer's Adjusters and insurers. For example, the OPPAGA study recognized that value in its examination of insureds' outcomes in claims filed with Citizens Property Insurance Corporation, Florida's insurer of last resort. The study showed that insureds represented by Public Adjusters "generally received larger insurance settlements."

29. By Florida statute, Public Adjusters are the only professionals specifically licensed to represent the interests of a policyholder in adjusting an insurance claim in the State of Florida. (Florida-licensed attorneys are exempted from the licensing requirement).

30. Florida has a detailed statutory framework described in this Amended Complaint that reflects Florida's policy that Florida-licensed Public Adjusters have the right to contract with and work for Florida insureds in providing post-loss claims services and insureds have the right to hire a Florida-licensed Public Adjuster. Velocity's Endorsement, and its enforcement of that Endorsement to compromise an insured's coverage, is violative of or in conflict with these statutes, negates or is in conflict with the statutory rights of Florida-licensed Public Adjusters as set forth in these statutes, is injurious to the public, and is contrary to Florida's public policy.

31. The legitimacy of the public adjusting profession is expressly acknowledged under Florida law. As recognized by the Florida Supreme Court in 1958, "the business of a public adjuster

has been recognized as a valid and legitimate occupation by legislative definition.” *Larson*, 106 So. 2d at 192. More recently, the Florida Supreme Court ruled that the Public Adjuster’s right to solicit business is constitutionally protected commercial speech. *See Atwater v. Kortum*, 95 So. 3d 85, 87 (Fla. 2012). The Florida Administrative Code prohibits an Insurer’s Adjuster from advising against the engagement of a Public Adjuster to protect the claimant’s interest. Fla. Admin. Code R. 69B-220.201(3)(h). And the Florida Statutes regulating Public Adjusters recognize that an insured has a right to hire a Public Adjuster to assist with an insurance claim. *See, e.g.*, § 626.8796(6)(c), Fla. Stat. The detailed Florida statutes regarding Public Adjusters, Fla. Stat. §§ 626.851 *et seq.*, reflect the Florida Legislature’s decision that as a matter of Florida policy, Florida Public Adjusters are a “valid and legitimate occupation” that have a right to do business in Florida, and that Florida insureds have a right to use a licensed Public Adjuster’s services.

32. The statutory and regulatory requirements governing the Public Adjusting profession in Florida include, among other things: licensure; apprenticeship; continuing education; proof of financial viability; limited compensation; limitations on contracting with the insured; limitations on communications with the insured and insurers; and compliance with ethical standards for the profession. *See* Fla. Stat. §§ 626.851 *et seq.*; Fla. Admin. Code R. 69B-220.201; 69B-220.051.

33. For example, Florida law requires every licensed Public Adjuster to inform potential insured clients – using a form created by the Department of Financial Services – that the insured “is not required to hire a public adjuster but has a right to do so.” § 626.8796(6)(c), Fla. Stat.; Fla. Admin. Code R. 69B-220.051. No licensed insurance adjuster may “advise a claimant to refrain from seeking legal advice, nor advise against the retention of counsel or the employment of a public adjuster to protect the claimant’s interest.” Fla. Admin. Code R. 69B-220.201(h). Thus, the statutory and

regulatory framework governing Public Adjusters – and all insurance adjusters – recognizes the insured’s right to hire a licensed Public Adjuster as well as the insured’s right to hire a licensed attorney.

34. A Florida-licensed Public Adjuster is permitted to represent insureds in the adjustment of insurance claims; doing so without a license is a felony. § 626.8738, Fla. Stat. There is no profession other than a licensed Public Adjuster or licensed Florida attorney that may represent insureds in the adjustment of insurance claims. § 626.854(b), Fla. Stat. Proscribing an insured from hiring a Florida-licensed Public Adjuster to provide post-loss claims services is unlawful just as proscribing an insured from hiring a Florida-licensed attorney to provide post-loss claims services would be unlawful.

35. Just as an Insurer’s Adjuster cannot discourage an insured from hiring a Public Adjuster, Florida’s public policy is that an insurer may neither exclude a Public Adjuster from in-person meetings with the insured, nor fail to communicate with the Public Adjuster in an effort to reach agreement as to the scope of the covered loss under an insurance policy. §§ 626.854(15)(b); 626.854(15)(a), Fla. Stat.

36. Velocity’s Anti-Public Adjuster Endorsement, and its enforcement of that Endorsement to compromise an insured’s coverage, is in derogation of these Florida policies.

B. Velocity’s Endorsement Prohibits Insureds From Hiring Public Adjusters and Threatens Delayed Processing of Claims or Forfeiture of Coverage When They Do

37. Velocity’s policy form used in the Florida surplus lines property insurance market prohibits the insured from engaging the services of a Public Adjuster through the express terms of the Anti-Public Adjuster Endorsement. Florida’s Office of Insurance Regulation does not regulate the use of the Anti-Public Adjuster Endorsement in surplus lines policies. Insurance sold in the Florida surplus lines market, or “non-admitted market,” is not regulated in rate or form.

38. Velocity's policies issued to Florida insureds have included at least the following forms of Anti-Public Adjuster Endorsement:

ANTI-PUBLIC ADJUSTER ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. This endorsement does not change any other provision of the insurance policy to which it is affixed. This endorsement is a part of this insurance policy and takes effect on the effective date of this insurance policy unless another effective date is shown.

It is understood and agreed that a condition of this **POLICY** is that the **NAMED INSURED** shall not hire, engage, retain, contract with, or otherwise utilize the services of a public adjuster, whether or not licensed in the state where the property is located or any other jurisdiction to inspect, evaluate, or adjust any loss covered by the **POLICY**.

ANTI-PUBLIC ADJUSTER ENDORSEMENT

In consideration for the premium paid, it is understood and agreed that a condition of this policy is that the insured shall not retain or use the services of a licensed public adjuster to inspect, evaluate or adjust any loss covered by the policy.

39. Velocity's Florida surplus lines policies bring together multiple out-of-State insurers under the umbrella of a single policy form to underwrite the covered risk. In agreeing to underwrite a percentage of a risk covered under Velocity's form, the out-of-State insurers agree with Velocity and with each other to the use of Velocity's anticompetitive Anti-Public Adjuster Endorsement. At the time these out-of-State insurers enter into this agreement with Velocity, they know and understand that the other insurers who are signing up for the policy as well (*i.e.*, their competitors) are also agreeing to the Endorsement, and absent that agreement among these competitors, they would not agree to underwrite a percentage of the risk with Velocity for the policy.

40. After a loss, if an insured hires a Public Adjuster, then per its policy, Velocity threatens the insured with forfeiture of coverage unless the insured stops working with the Public Adjuster. Velocity internally calls its heavy-handed response towards insureds with respect to Public Adjusters

its “best practices.” Under Velocity’s coercive “best practices,” if an insured hires a Public Adjuster, then:

(a) Neither Velocity nor its Insurer’s Adjusters communicate with the Public Adjuster;

(b) Velocity informs all experts and field staff hired for the claim’s investigation not to engage with the Public Adjuster;

(c) Velocity informs all experts and field staff for the claim’s investigation not to conduct an inspection of the property loss with a Public Adjuster present;

(d) Velocity requires that any written communication received from a Public Adjuster, at any point in the claims process, be rejected in writing to the insured. This includes proof of loss, estimates, documents and the like if sent by the Public Adjuster to Velocity or its Insurer’s Adjusters;

(e) Velocity demands cancelation of the insured’s engagement of the Public Adjuster. For instance, one form of the Velocity letter to an insured states that “[a]ny involvement of a Public Adjuster in the inspection, evaluation, or adjustment of your claim will constitute a breach of your insurance policy and could affect coverage for your loss.”

(f) Velocity cancels or effectively cuts off coverage for the insured if, despite Velocity’s threats and heavy-handed tactics, the policyholder does not cancel his/her/its contract with the Public Adjuster.

(g) Velocity threatens that it will not take any steps to investigate, and it does not investigate, the insured’s loss unless and until, if at all, the insured provides evidence that it has withdrawn from any representation by a Public Adjuster.

41. Velocity has employed the foregoing coercive practices to force insureds to terminate the engagement of a Public Adjuster or deter that engagement in the first place.

42. Velocity maintains a database tracking from the start of a Florida insured's claim whether the insured has retained a Public Adjuster, and when that occurs.

43. Velocity's extensive and coercive enforcement of the Anti-Public Adjuster Endorsement has injured and will continue to injure Florida-licensed Public Adjusters, including Plaintiffs' members, and Florida insureds.

44. Florida-licensed Public Adjusters, including Plaintiffs' members, have, and will continue to have, their engagements by Velocity policyholders terminated because of Velocity's enforcement of the Endorsement.

45. Florida-licensed Public Adjusters, including Plaintiffs' members, have lost and will continue to lose opportunities to represent insureds who discover the existence of an Anti-Public Adjuster Endorsement in their policy and are understandably unwilling to risk their coverage by hiring or retaining the Public Adjuster.

46. The injury that has been caused by Velocity's use and enforcement of the Anti-Public Adjuster Endorsement to Florida-licensed Public Adjusters, including Plaintiffs' members, and to Florida insureds, is extensive, and Plaintiffs reasonably expect it to continue if not expand. This injury to Plaintiffs' members and all Florida-licensed Public Adjusters is occurring with increasing frequency in Florida. The examples below are merely the tip of the iceberg of the instances in which Velocity's use and enforcement of the Anti-Public Adjuster Endorsement is causing injury to Plaintiffs' Florida-licensed Public Adjuster members. Rather, Velocity's unlawful conduct is substantially more extensive. The full extent of Velocity's use and enforcement of the Anti-Public Adjuster Endorsement is known to Velocity and will be fully revealed in fact discovery.

(a) In 2025, a Velocity policyholder in Orange County retained Public Adjuster 1 to assist with a claim for covered loss. Velocity refused to deal with Public Adjuster 1. Public Adjuster 1 released the client from the retention agreement.

(b) In 2025, a Velocity policyholder in Bay County retained a Public Adjuster 2 to represent them in the adjustment of a claim. Velocity refused to process the claim unless the insured withdrew the representation of Public Adjuster 2 and threatened that the use of a Public Adjuster “may jeopardize coverage.”

(c) In 2025, a Velocity policyholder in Lee County retained Public Adjuster 2 to assist with a claim for covered loss. Velocity refused to recognize the retention and demanded that the policyholder terminate the retention of Public Adjuster 2.

(d) In 2024, a Velocity policyholder retained Public Adjuster 3 in connection with a covered loss in Orange County. Public Adjuster 3 was required to terminate the representation on account of an Anti-Public Adjuster Endorsement.

(e) In 2023, a Velocity policyholder in Charlotte County submitted a claim for damage caused by Hurricane Ian with the assistance of Public Adjuster 4. The insurer demanded that Public Adjuster 4 be terminated on account of the Anti-Public Adjuster Endorsement, and the policyholder did so.

(f) In 2023, a Palm Beach County Velocity policyholder submitted a claim and retained Public Adjuster 5. Velocity refused to recognize Public Adjuster 5. Public Adjuster 5’s representation was terminated.

(g) A Velocity policyholder in Miami-Dade County engaged Public Adjuster 1 in connection with a covered loss arising from Hurricane Ian. Velocity refused to deal with Public Adjuster 1 on account of the Anti-Public Adjuster Endorsement.

(h) In 2023, a Leon County insured retained Public Adjuster 3 in connection with a covered loss. Velocity refused to deal with Public Adjuster 3 and demanded that the insured terminate the retention on account of the Anti-Public Adjuster Endorsement. The retention was terminated.

(i) In 2023, a policyholder in Lee County submitted a claim under a Velocity form for damage caused by Hurricane Ian. The policyholder retained Public Adjuster 6 and notified Velocity of the retention. Velocity informed the insured that it would not deal or communicate with Public Adjuster 6. The insured rescinded the contract with Public Adjuster 6.

(j) In 2023, a Velocity policyholder retained Public Adjuster 7. Velocity refused to recognize the retention and threatened the insured with breach of the insurance policy.

(k) Policyholders under a Velocity form in Port Charlotte County submitted claims for damage due to Hurricane Ian with the assistance of Public Adjuster 8. The insurer refused to deal with Public Adjuster 8 and threatened that adjustment of the loss would be delayed for so long as the insured continued to use a Public Adjuster. The insureds withdrew the representation of Public Adjuster 8.

(l) In 2021, a Velocity policyholder in Hillsborough County submitted a claim with the assistance of a Public Adjuster 9. Velocity rejected Public Adjuster 9's Letter of Representation, denied coverage, and refused to communicate with Public Adjuster 9 when requested to reevaluate the coverage determination.

47. Velocity has been active and overt in the development, implementation and spread of the Anti-Public Adjuster Endorsement among surplus lines carriers in Florida. The events alleged in this Amended Complaint establish an actual, present, and recurring controversy regarding the validity and enforceability of the Anti-Public Adjuster Endorsement, and demonstrate that insureds, as well as

Plaintiffs' members, have suffered and will continue to suffer concrete harm absent judicial intervention.

C. The Anti-Public Adjuster Endorsement Unfairly Prejudices Insureds in the Claim Adjustment Process; Velocity Deceives Consumers Regarding the Effect of the Endorsement

48. The Anti-Public Adjuster Endorsement hurts insureds when they are most in need of professional advice and experience. As a matter of common sense and as found by OPPAGA, insureds who do not have the assistance of Florida-licensed Public Adjusters generally recover less money on their insurance claims than insureds represented by Florida-licensed Public Adjusters. And with respect to catastrophic losses, the unrepresented insureds recover much, much less money than what they are entitled to under the insurance policy for which they paid.

49. Because Velocity threatens insureds with forfeiture of coverage, insureds are disincentivized from insisting that a Public Adjuster represent them or to mount legal challenges to the Anti-Public Adjuster Endorsement. Confronted with a major loss, insureds often need their claim processed and paid as soon as possible. Under the circumstances, the threat of delays combined with the risks to insureds of a forfeiture of coverage are too high, and despite the importance and value of the Public Adjuster's professional assistance, insureds capitulate to Velocity's unfair enforcement of the Endorsement.

D. The Anti-Public Adjuster Endorsement is an Unfair, Deceptive and Anti-Competitive Trade Practice in Violation of FDUTPA

50. The Anti-Public Adjuster Endorsement and Velocity's claims management practices relating to the Endorsement are unfair and deceptive.

51. A prohibition on any engagement with a licensed Public Adjuster is contrary to Florida public policy, which has recognized the legitimacy of the Public Adjusting profession and the service

it provides for more than seventy years, and which recognizes the right of the insured to utilize a Public Adjuster's services. *See, e.g.*, § 626.8796(6)(c), Fla. Stat.

52. Velocity's threat that the use of a Public Adjuster breaches the insurance policy and affects the existence of coverage is both unfair and deceptive. Among other reasons, Florida law abhors the forfeiture of insurance coverage and requires an insurer to prove material prejudice flowing from the breach of a post-loss insurance policy condition. No such material prejudice is caused by the insured's retention of a Florida-licensed Public Adjuster; the Public Adjuster acts on a delegation of authority from the insured, at the insured's expense, and is empowered to do at most only that which the insured could do for the insured's own account. In other words, the insurer should be indifferent to whether or not the insured hires a Florida-licensed Public Adjuster – unless the insurer's goal is to unfairly tilt the playing field in its favor by ensuring that an insured lacks professional and qualified advice regarding the loss claim.

53. The Anti-Public Adjuster Endorsement is anti-competitive by effecting an agreement between subscribing insurers to boycott Public Adjusters and by in effect requiring the use of the Insurer's Adjuster acting on the *insurers'* behalf. Velocity informs the subscribing insurers of the use of the Anti-Public Adjuster Endorsement in its policies; and each subscribing insurer has authorized Velocity to write insurance in conjunction with other insurers agreeing to the use of the Anti-Public Adjuster Endorsement.

54. Plaintiffs' Public Adjuster members are aggrieved by Velocity's use of the Anti-Public Adjuster Endorsement, which prevents insureds from hiring them, or directly reduces the likelihood that insureds will hire them, to assist with insurance claims. This harm is not hypothetical. Plaintiffs' Florida-licensed members have been denied engagements because of the Anti-Public Adjuster

Endorsement and have been forced to terminate existing representations of insureds because of the Anti-Public Adjuster Endorsement.

55. Insureds are aggrieved by the Anti-Public Adjuster Endorsement because it purports to cement the disparity in knowledge, information and bargaining power between Velocity and the insureds.

56. Because the form of surplus lines property insurance policies is not subject to regulatory review, and because the risks to insureds of a threatened forfeiture of coverage discourages insureds from challenging the legality of the Anti-Public Adjuster Endorsement, the requested declaratory relief is both necessary and proper.

E. The Agreement Between Defendant and Out-of-State Insurers Violates the Florida Antitrust Act

57. The purpose and effect of the Anti-Public Adjuster Endorsement and the use of that Endorsement in agreements between Velocity and its insurer co-conspirators, including without limitation Certain Underwriters at Lloyds, London and Interstate Fire & Casualty Company, is to consolidate all claims adjustment under Velocity policies in Florida under insurer control, to the exclusion of Public Adjusters, thereby unreasonably restraining trade. Plaintiffs' members have been, and will continue to be, excluded from serving policyholders in Florida as a direct result of the Endorsement and boycott that it reflects and enforces.

58. The Endorsement does not involve the spreading or transferring of a policyholder's risk. Risk transfer occurs when a policy is issued and the insurer assumes defined risks in exchange for premiums. The Endorsement, in contrast, operates only after a loss has occurred, and its sole function is to restrict policyholders from obtaining independent representation by a Public Adjuster in the claims process.

59. By contracting to adopt and enforce the Endorsement, Defendant and its insurer co-conspirators have agreed to exclude an entire licensed and regulated profession – Public Adjusters – from the Florida marketplace and to coerce insureds into foregoing the services of a Public Adjuster as a condition of coverage. The effect of these agreements is a concerted boycott of Public Adjuster services in Florida, restraining trade, harming competition, and inflicting ongoing, irreparable harm on Plaintiffs’ members in their lawful trade.

60. In a real sense, if left undisturbed, the Anti-Public Adjuster Endorsement is aimed to put an entire profession – Florida-licensed Public Adjusters – out of business and to insulate the Insurer’s Adjusters from competition for the business of adjusting insureds’ losses. That intent is confirmed by, among other things, Velocity’s direction to its Insurer’s Adjusters to refuse all communications with Public Adjusters if the loss is covered under a policy containing the Anti-Public Adjuster Endorsement. The Endorsement is a naked restraint of trade and injures not just Plaintiffs but insureds in Florida.

**COUNT I – VIOLATION OF THE FLORIDA
DECEPTIVE AND UNFAIR TRADE PRACTICES ACT**

61. Plaintiffs reallege and incorporate by reference all allegations set forth in paragraphs 1 through 60, *supra*, as if fully set forth in this Count.

62. This is an action for declaratory and injunctive relief under § 501.211(1), Fla. Stat.

63. At all times relevant to the allegations in this Count, Defendant sold and administered property insurance policies in trade or commerce.

64. The activity complained of in this Count is Velocity’s coercive, unfair and deceptive use of the Anti-Public Adjuster Endorsement to force Florida insureds not to hire, or to fire, Florida-licensed Public Adjusters.

65. Velocity's Anti-Public Adjuster Endorsement in its surplus lines policies is not regulated by the Florida Office of Insurance Regulation or the former Department of Insurance.

66. Velocity's coercive, unfair and deceptive use of the Anti-Public Adjuster Endorsement is not the business of insurance. Velocity's use of the Endorsement: (i) is not an insurable property interest; (ii) is not the risk of property loss, which is established by Velocity and the other surplus carriers before the policy is underwritten; (iii) is not an assumption of the risk of property loss by Velocity and the other surplus carriers that sign onto the policy, but is instead a punitive post-loss burden imposed on the insured; (iv) is not a general scheme to distribute the property loss among the surplus carriers, which is accomplished without regard to the insured's post-loss retention of a Florida-licensed Public Adjuster; and (v) is not a payment of a premium for an assumed risk of property loss that has not occurred. The Endorsement is not an integral part of the insurer-insured relationship because it covers only policyholders' dealings with independent professionals, *i.e.*, Public Adjusters. The Endorsement prohibits the *insured* from using the services of anyone purporting to perform the services of a Public Adjuster, whether duly licensed or not.

67. Defendant's use of and acts and practices surrounding the Anti-Public Adjuster Endorsement, as described above, are deceptive. This is because, to the extent that Velocity discloses the Endorsement to consumers before they purchase the insurance, the Velocity disclosure is likely to mislead consumers acting reasonably under the circumstances to the consumer's detriment. To the extent that Velocity fails to disclose the Endorsement to consumers before they purchase the surplus lines policy with the Endorsement in it, this failure to disclose is deceptive because consumers do not know and understand that after buying the policy, they will

be prohibited from hiring a Public Adjuster to represent and exclusively watch out for their interests in the provision of post-loss claims services.

68. Defendant's use of and acts and practices surrounding the Anti-Public Adjuster Endorsement, as described above, are unfair as they offend established public policy and are immoral, unethical, oppressive, unscrupulous or substantially injurious to consumers. Additionally, the consumer injury caused by Defendant's acts and practices is substantial, is not outweighed by countervailing benefits to consumers or competition that the practice produces, and is an injury that consumers themselves could not reasonably have avoided.

69. Defendant's use of and acts and practices surrounding the Anti-Public Adjuster Endorsement, as described above, are unfair methods of competition.

70. Defendant's unfair, deceptive and anti-competitive use of the Anti-Public Adjuster Endorsement is unlawful.

71. As described above, Defendant's Anti-Public Adjuster Endorsement has caused injury to Plaintiffs' Florida-licensed Public Adjuster members.

72. Plaintiffs' Florida Public Adjuster members are foreseeably aggrieved by Defendant's unfair, deceptive and anti-competitive use of the Anti-Public Adjuster Endorsement and will benefit from the requested declaratory and injunctive relief.

73. Florida insureds entering into property insurance policies with Velocity are foreseeably or will foreseeably be aggrieved by Defendant's unfair, deceptive and anti-competitive use of the Anti-Public Adjuster Endorsement and will benefit from the requested declaratory and injunctive relief.

74. Accordingly, Plaintiffs request the following relief:

- (a) A declaration that the Anti-Public Adjuster Endorsement is an unfair or deceptive trade practice in violation of FDUTPA;
- (b) A declaration that Velocity's claims practices concerning the Anti-Public Adjuster Endorsement are unfair or deceptive trade practices in violation of FDUTPA;
- (c) An injunction prohibiting Velocity from including the Anti-Public Adjuster Endorsement in any policy directly or indirectly sold in the State of Florida and from taking any steps to enforce any existing Anti-Public Adjuster Endorsement in any policy covering Florida insureds or Florida-based risks;
- (d) An award of their reasonable attorneys' fees and costs; and
- (e) Granting such other and further relief as the Court may deem just and proper.

COUNT II – DECLARATORY JUDGMENT

75. Plaintiffs reallege and incorporate by reference all allegations set forth in paragraphs 1 through 60, *supra*, as if fully set forth in this Count.

76. Plaintiffs seek declaratory relief pursuant to Chapter 86, Fla. Stat., that Velocity's Anti-Public Adjuster Endorsement is unenforceable as a matter of law.

77. There is a bona fide, actual, present, and practical need for a declaration of the parties' rights.

78. The declaration sought concerns a present, ascertained or ascertainable set of facts, or present controversy as to a set of facts.

79. Plaintiffs and their Florida-licensed Public Adjuster members have an interest in the declaration sought, because the actual and repeated use and enforcement of the Anti-Public Adjuster Endorsement directly threatens the livelihood and profession of Florida-licensed Public Adjusters, and affects their rights, status, and other equitable or legal relations.

80. Plaintiffs and Defendant have adverse and antagonistic interests and are properly before the Court by proper process.

81. The relief sought is not merely the giving of legal advice by the Court or the answer to hypothetical questions propounded from curiosity but rather will resolve a concrete controversy by providing Plaintiffs, their Florida members, Florida insureds, and Defendant certainty with respect to the effect and enforceability of the Anti-Public Adjuster Endorsement.

82. Section 86.111, Florida Statutes, provides for expedited consideration of actions for declaratory relief, and Plaintiffs respectfully request such expedited consideration.

83. Because Plaintiffs and their Florida-licensed Public Adjuster members are in doubt concerning their respective legal rights, duties, and obligations with respect to the Anti-Public Adjuster Endorsement, Plaintiffs request a declaration to resolve this controversy. In particular, Plaintiffs request a declaratory judgment, on an expedited basis under § 86.111, Florida Statutes, providing:

(a) Velocity's Anti-Public Adjuster Endorsement is unenforceable because it is contrary to Florida statutes and regulations authorizing, licensing and governing the Public Adjusting profession; acknowledging the insured's right to retain a Public Adjuster; and/or prohibiting an Insurer's Adjuster from discouraging an insured from consulting with a Public Adjuster;

(b) Velocity's Anti-Public Adjuster Endorsement is unenforceable because it is a post-loss condition of insurance coverage concerning matters that do not cause material prejudice to Velocity or its subscribing insurers as a matter of law;

(c) A Florida insured's alleged breach of Velocity's Anti-Public Adjuster Endorsement is not, as a matter of law, a material breach forfeiting coverage under a property insurance policy containing the Endorsement; and

(d) Such other and further relief as the Court may deem just and proper.

COUNT III – RESTRAINT OF TRADE
(Per Se Violation; Fla. Stat. § 542.18)

84. Plaintiffs reallege and incorporate by reference all allegations set forth in paragraphs 1 through 60, *supra*, as if fully set forth in this Count.

85. Velocity and its co-conspirators sell surplus lines insurance coverage to Florida insureds. For purposes of this Count, this insurance transaction, that is, Velocity and its co-conspirators' sale of insurance coverage to Florida insureds, is the targeted or primary transaction.

86. Velocity acts as the coordinator of an unlawful horizontal agreement (or conspiracy) among itself and its competing surplus lines insurers who sign onto the Velocity form with the Anti-Public Adjuster Endorsement – including without limitation Certain Underwriters at Lloyds, London and Interstate Fire & Casualty Company – to use the Anti-Public Adjuster Endorsement in the Velocity form to boycott or engage in a concerted refusal to deal with Public Adjusters in the collateral transaction between a Florida insured who is in need of representation services for the post-loss investigation, estimation, presentation, and processing of a post-loss claim (“Post-Loss Claims Services”) and has hired, or wants to hire, a Public Adjuster to provide those services to the insured (the “Collateral Transaction”).

87. Velocity and its co-conspirators who sign onto the Velocity form with the Endorsement use, and are using, the targeted or primary transaction to boycott or refuse to deal with the Collateral Transaction and coerce insureds not to hire Public Adjusters.

88. The agreement among Velocity and its co-conspirators to boycott or refuse to deal with Public Adjusters as described in this Count is an unreasonable restraint of trade or commerce in Florida and is a *per se* violation of the Florida Antitrust Act, Fla. Stat. § 542.18. The boycott

and refusal to deal in this Count is not exempt from regulation under the McCarran-Ferguson Act, 15 U.S.C. § 1101, *et seq.*

89. The decision by Velocity and its co-conspirators to enter into this unlawful agreement is not the result of independent decision-making or independent action by each of them. Rather, as described in this Count, the decision and action is the result of each of them deciding to act, and acting, in concert with the other co-conspirators to agree upon, implement, and enforce the unlawful agreement for the common purpose and with the effect of boycotting or refusing to deal with Public Adjusters and preventing the competition between, among others, Velocity and its co-conspirators to offer insurance contracts with attractive terms and conditions to the insureds.

90. Velocity and each competing surplus lines insurer that signed onto the Velocity form with the Endorsement (*i.e.*, the co-conspirators) did so with the understanding that each of them agreed to the boycott and refusal to deal as described in this Count. Velocity and these competing co-conspirators would not have agreed to the boycott and refusal to deal unless each knew that its competitors who had signed onto the Velocity form with the Endorsement had agreed as well. Velocity and its co-conspirators acted in concert in agreeing to and participating in the unlawful boycott or refusal to deal.

91. Velocity and its co-conspirators knowingly agreed and acted in concert to boycott or refuse to deal with Public Adjusters as alleged in this Count by and through the following actions:

(a) Velocity informed each of its co-conspirator surplus carriers before each joined under the common umbrella of a Velocity form with the Endorsement that: (i) the Velocity form contains the Endorsement; (ii) signing onto the Velocity form with the Endorsement means that each surplus lines insurer agrees to the Endorsement; (iii) the Endorsement would give effect

to the boycott and refusal to deal with Public Adjusters in the Collateral Transaction; (iv) in order for the boycott and refusal to deal to be effective with respect to the Velocity form with the Endorsement, each competitor had to agree to the Velocity form with the Endorsement in it; (v) Velocity supervised and enforced, and would supervise and enforce, the Endorsement on behalf of itself and the other surplus lines insurers that sign onto the form with the Endorsement; and (vi) Velocity informed its competing surplus lines carriers that it was providing or had provided the foregoing information to their competitors before each signed onto the Velocity form with the Endorsement.

(b) At the time that each co-conspirator surplus lines insurer signed onto the Velocity form with the Endorsement, each co-conspirator knew that: (i) other competing surplus lines insurers would be signing or had signed onto the same Velocity form with the Endorsement; (ii) the other competing insurers that signed onto the Velocity form with the Endorsement agreed to the Endorsement and Velocity's supervision and enforcement of it on their behalf; (iii) the other competing insurers that signed onto the Velocity form with the Endorsement agreed to the boycott or refusal to deal with Public Adjusters in the Collateral Transaction and Velocity's enforcement of the boycott or refusal to deal; (iv) Velocity would not allow a surplus lines insurer to sign onto the Velocity form with the Endorsement unless the competitor agreed to the Endorsement and Velocity's enforcement of the Endorsement on their behalf; and (v) Velocity was sharing the foregoing information with the other surplus lines insurers before each of them signed onto the Velocity form with the Endorsement.

(c) Velocity and its co-conspirators exchanged information about the Endorsement and its purpose and effect in boycotting or refusing to deal with Public Adjusters in the Collateral Transaction before each of them signed onto a Velocity form with the Endorsement.

(d) Velocity and its co-conspirators each signed the Velocity form with the Endorsement based on and knowing information alleged in this Count.

92. The existence of one or more of a number of “plus factors” further demonstrates the anticompetitive character of the unlawful agreement among Velocity and its co-conspirators. Stated differently, in addition to the other allegations in this Count, there are “plus factors” from which a fact finder would reasonably infer the existence of the unlawful agreement alleged in this Count among Velocity and its co-conspirators. These “plus factors” include, without limitation, the following:

(a) Velocity and its co-conspirators have a common motive and unity of economic interest to conspire. By coercing insureds not to hire, or to fire, Public Adjusters from representation in Post-Loss Claims Services, Velocity and its co-conspirators force most insureds to accept the loss estimates of the Insurer’s Adjuster for Post-Loss Claims Services. The Insurer’s Adjuster exclusively watches out for the insurer and not the insured’s interest. This generally results in Velocity and its co-conspirators paying less in claims to an insured than they would pay if a Public Adjuster represented the insured. Entering into their unlawful agreement to boycott or refuse to deal with Public Adjusters was and is profit-maximizing to Velocity and its co-conspirators only if all of them agreed to act in concert as alleged in this Count.

(b) Velocity and each of its co-conspirators acts contrary to its economic self-interest in entering into the unlawful agreement alleged in this Court unless each knows and understands that the other conspirators are also entering into the same agreement and it was to their mutual advantage to do so. In other words, the decision by Velocity and each co-conspirator to enter into the unlawful agreement is rational only if the decision was the product of collusion and the knowledge that the other conspirators also were entering into the same agreement. No reasonable

surplus insurer would boycott or refuse to deal with Public Adjusters without an agreement among conspirators to do so. A Velocity insurance policy containing the Anti-Public Adjuster Endorsement is less valuable to an insured because the insured's inability to hire a Public Adjuster makes a lower loss recovery for the insured more likely. Thus, if there was no unlawful agreement among Velocity and its co-conspirators to use the Velocity form with the Endorsement, then for any conspirator (including Velocity) that used the Endorsement, doing so would make the insurance policy worse (or less attractive) for a customer than its competitor's policy that did not contain the Endorsement. This would cause the conspirator who used the Endorsement in a policy to lose sales and customers to a conspirator that did not use the Endorsement. But if Velocity and each of its co-conspirators knows that its competitors are using or will use the Endorsement in the policy, then each of them knows that it will not be at a competitive disadvantage in using the Endorsement in the policy and each of them will reduce the loss payments that it has to make to its insureds.

(c) There is a high level of interfirm communications among Velocity and its co-conspirators (and other surplus lines insurers doing business in Florida as well) with respect to preventing Public Adjusters from representing insureds in Post-Loss Claims Services. For example, Velocity and its co-conspirators, along with other competing surplus lines insurers, are members of trade organizations that meet periodically but regularly each year, and these meetings provide them with an opportunity to communicate about restraining or excluding Public Adjusters from representing insureds in Post-Loss Claims Services. These organizations include, without limitation, the Florida Surplus Lines Association ("FSLA"), the Wholesale & Specialty Insurance Association ("WSIA"), and the Windstorm Insurance Conference ("Windstorm"). The FSLA meetings occurred on or about August 24-26, 2022 at The Breakers Hotel in Palm Beach; August 9-11, 2023 at the Breakers Hotel in Palm Beach; August 7-9, 2024 at the JW Marriott Hotel in

Tampa; and August 6-8, 2025 at the Breakers Hotel in Palm Beach. The WSIA meetings occurred on or about September 11-14, 2022 at the Manchester Grand Hyatt in San Diego, CA; March 12-15, 2023 at the JW Marriott in Phoenix, AZ; April 2-5, 2023 at the Renaissance Hotel in Nashville, TN; September 17-20, 2023 at the Manchester Grand Hyatt in San Diego, CA; April 4-7, 2024 at the Austin Marriott in Austin, TX; and September 22-25, 2024 at the Manchester Grand Hyatt in San Diego, CA. The Windstorm meetings occurred on January 24-27, 2022 at the Lowes Royal Pacific Resort in Orlando, FL; January 23-26, 2023 at the Caribe Royale Hotel in Orlando, FL; January 29-February 1, 2024 at the Renaissance Hotel in Orlando, FL; and January 25-28, 2025 at the Hyatt Regency in Dallas, Texas. Velocity and other surplus lines insurers (including co-conspirators), and/or persons acting on their behalf, attended a number of the foregoing meetings and participated in the discussions described in this paragraph.

93. Velocity and its co-conspirators' boycott or refusal to deal is anticompetitive in its purpose and effect as demonstrated by, among other facts, the following:

(a) Velocity and its co-conspirators have cut off and are boycotting Florida-licensed Public Adjusters from providing Post-Loss Claims Services to Florida insureds. In other words, the boycott or group refusal to deal restricts the output of services, *i.e.*, Post-Loss Claims Services, to Florida insureds by excluding Public Adjusters from providing those services to them. In doing so, Velocity and its co-conspirators are reducing, restricting, excluding and restraining competition and output in the market for Post-Loss Claims Services.

(b) Florida-licensed Public Adjusters and Florida-licensed lawyers compete for the representation of insureds in the provision of Post-Loss Claims Services that are not the practice of law. *See* § 626.860, Fla. Stat. (attorney not required to be licensed to adjust or participate in adjustment of insurance claim). As a result of their boycott or refusal to deal with Public Adjusters,

Velocity and its co-conspirators reduce, restrict, exclude, and restrain competition between Florida-licensed Public Adjusters and Florida-licensed lawyers in providing insureds with these Post-Loss Claims Services. This restraint causes insureds economic injury. Thus, as a result of Velocity and its co-conspirators' boycott or refusal to deal, a Florida insured covered by a Velocity form with the Endorsement who wants representation to protect his/her/its interest in Post-Loss Claims Services can or does pay more money and/or receive a lower net claim recovery because the insured has to retain a lawyer licensed to practice in Florida to provide those services, rather than a Florida-licensed Public Adjuster.

(c) Velocity and its co-conspirators ordinarily compete against each other to offer surplus policy terms that will be attractive to Florida insureds. A surplus insurance policy that allows an insured to retain a Public Adjuster, *i.e.*, a policy without the Anti-PA Endorsement, is a more attractive and valuable contract right for an insured than a policy that forbids the retention of a Public Adjuster, *i.e.*, a policy with the Anti-PA Endorsement. The horizontal agreement among Velocity and its co-conspirators to use the Velocity form with the Endorsement is thus a horizontal agreement among them not to compete against each other on policy terms attractive to Florida insureds. This reduction in competition among Velocity and its co-conspirators directly injures Florida-licensed Public Adjusters because it precludes their employment by Florida insureds covered by Velocity and its co-conspirators' insurance policies that contain the Endorsement.

94. The individuals employed by Velocity and co-conspirators who participated in the unlawful conduct alleged in this Amended Complaint did so on behalf of their respective employer, and their conduct in furtherance of the unlawful conduct was undertaken by each of them during the course and scope of their employment by Velocity or a co-conspirator employer.

95. As a direct and proximate result of Velocity and its co-conspirators' concerted boycott and refusal to deal, Plaintiffs' members face ongoing and continuing irreparable harm, including exclusion from their chosen profession, suppression of competition in the adjustment of loss claims, and loss of business opportunities. Plaintiffs' injury is an injury of the type the antitrust laws were designed to prevent and flows from that which makes Defendant's and its co-conspirators' conduct unlawful.

96. Accordingly, Plaintiffs request the following relief:

(a) A declaration that the policies issued by Defendant and co-conspirator subscribing surplus lines insurers containing the Anti-Public Adjuster Endorsement are unlawful *per se* under § 542.18, Fla. Stat.;

(b) An injunction under § 542.23, Fla. Stat., permanently prohibiting Velocity, directly or indirectly, from using, enforcing, or requiring such Anti-Public Adjuster Endorsements in any policy covering Florida insureds or Florida-based risks;

(c) An award of the cost of suit, including a reasonable attorney fee; and

(d) Such other and further relief as the Court may deem just and proper.

Dated: December 22, 2025

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on December 22, 2025, I electronically filed the foregoing document with the Clerk of the Court using the Florida E-portal. I also certify that the foregoing document is being served on this day on all counsel of record via transmission of Notices of Electronic Filing generated by the Florida E-portal.

/s/ William J. Blechman
William J. Blechman