



## FLORIDA DEPARTMENT OF FINANCIAL SERVICES

Division of Rehabilitation and Liquidation  
[www.myfloridacfo.com/division/receiver](http://www.myfloridacfo.com/division/receiver)

**Si necesita una versión en español de este aviso, visite el sitio web de la División de Rehabilitación y Liquidación [www.myfloridacfo.com/division/receiver](http://www.myfloridacfo.com/division/receiver).**  
(If you need a Spanish version of this notice, visit the Receiver's website at [www.myfloridacfo.com/division/receiver](http://www.myfloridacfo.com/division/receiver))

### **NOTICE TO AGENT OR BROKER OF AVATAR PROPERTY & CASUALTY INSURANCE COMPANY – March 14, 2022**

#### **Regarding the Liquidation of Avatar Property & Casualty Insurance Company**

On March 14, 2022, Avatar Property & Casualty Insurance Company (“Avatar” or “Company”) was ordered liquidated by the Second Judicial Circuit Court in Leon County, Florida. The Florida Department of Financial Services (“Department”) is the court appointed Receiver of Avatar. A copy of the liquidation order for Avatar is available on the Department’s website, [www.myfloridacfo.com/division/receiver](http://www.myfloridacfo.com/division/receiver).

The Department is sending this notice to all Avatar agents of record in order to provide them with information to better assist in advising Avatar policyholders. As an agent of record, you are advised that the liquidation order significantly affects the Company’s policyholders and may legally impose certain obligations on you. The Department expects you to contact your policyholder clients and assist them with any questions they may have regarding the receivership proceeding.

**As agent for Avatar and pursuant to Section 631.341, Florida Statutes, you are required to provide a written notice of the receivership, by registered or certified mail, or by email with delivery receipt required, to the last known address of policyholders whose policy has not been replaced or reinsured with a solvent authorized insurer.** A copy of Section 631.341, Florida Statutes, is found at the end of this notice. When providing notice of the liquidation to Avatar’s policyholders, you should inform them that:

- With the exception of flood insurance coverage issued by Avatar, the Company’s insurance policies are cancelled effective 12:01 A.M. on April 13, 2022, unless otherwise terminated prior to that date.
- The deadline for filing claims in the Avatar receivership proceeding is March 14, 2023.

**POLICY CANCELLATION:** Avatar wrote fire, homeowners and commercial multiple peril lines of coverage in Florida. The Company has approximately 37,000 in-force policies. In accordance with the liquidation order, with the exception of Flood insurance coverage issued by Avatar, all insurance policies issued by Avatar are cancelled effective 12:01 A.M. on April 13, 2022, unless otherwise terminated prior to that date.

**PREMIUM COLLECTION:** In accordance with Section 631.155, Florida Statutes, and paragraph 20 on page 4 of the Avatar Liquidation Order, all premiums and unearned commissions collected by Agents

or Brokers on behalf of Avatar must be accounted for and paid to Avatar within 30 days. No agent, broker, premium finance company or other person may use premium monies owed to Avatar for refund of unearned premium or for any purpose other than payment to Avatar. Any premiums collected by agents should be remitted to Avatar in the normal course of business.

Unearned premiums are covered by the Florida Insurance Guaranty Association (“Guaranty Association”) which has been activated to help pay unearned premium refunds for Avatar policyholders.

Once all policies are canceled, the calculation of unearned premium amounts due to policyholders will be performed. Once completed, the information will be sent to the Guaranty Association for the processing and payment of unearned premium. The process will take approximately 30 to 60 days after April 13, 2022. This time is required to correctly calculate the unearned premium amounts, transmit the data to the Guaranty Association and allow the Guaranty Association the time necessary to process, print and mail checks.

At this time, we ask that you refrain from contacting the Guaranty Association until the cancellation calculation and submission of the return premium data is completed.

Any unearned commissions due to Avatar should be remitted by check to the mailing address below:

Avatar Property & Casualty Insurance Company  
P.O. Box 519  
Stuart, VA 24171

**CLAIMS FOR LOSSES INCURRED PRIOR TO 12:01 A.M. ON APRIL 13, 2022:**

**There is a process in place for payment of covered claims incurred before 12:01 a.m. on April 13, 2022.** Your state’s insurance guaranty association was activated to pay outstanding claims for Avatar policies. The processing and payment of pending covered claims will be made by the applicable state insurance guaranty association.

Florida Insurance Guaranty Association (“FIGA”) - <https://figafacts.com/>

**The deadline for filing claims in the Avatar receivership is March 14, 2023.**

Information regarding the method for filing a claim in the receivership proceeding will be available on the Department’s website. [www.myfloridacfo.com/division/receiver](http://www.myfloridacfo.com/division/receiver)

**PROCESS FOR PAYMENT OF CLAIMS:** The Department is currently gathering claim files and claim data to forward the information to your state’s insurance guaranty association. As a result, there may be a slight delay in claim processing during this transitional period. Please continue to contact Avatar using the contact information below to check the status of an existing claim and/or to file a new claim. The Department’s website, [www.myfloridacfo.com/division/receiver](http://www.myfloridacfo.com/division/receiver), will be updated once the transition is completed.

**CONSUMER/CLAIMS CALLS:**

Consumers with questions regarding Avatar should contact the company directly at

Claims/Customer Service: (813) 514-0333

**CONTACTING THE DEPARTMENT:**

If you have any non-claims related questions regarding the receivership, please visit the Department's website at [www.myfloridacfo.com/division/receiver](http://www.myfloridacfo.com/division/receiver). You also may contact the Department at [Consumer.Services@myfloridacfo.com](mailto:Consumer.Services@myfloridacfo.com) or by calling (800) 882-3054 or (850) 413-3081.

**Section 631.341, Florida Statutes**

**631.341 Notice of insolvency to policyholders by insurer, general agent, or agent.—**

(1) The receiver shall, immediately after appointment in any delinquency proceeding against an insurer in which the policies have been canceled, give written notice of such proceeding to each general agent and licensed agent of the insurer in this state. Each general agent and licensed agent of the insurer in this state shall forthwith give written notice of such proceeding to all subagents, producing agents, brokers, and service representatives writing business through such general agent or licensed agent, whether or not such subagents, producing agents, brokers, and servicing representatives are licensed or permitted by the insurer and whether or not they are operating under a written agency contract.

(2) Unless, within 15 days subsequent to the date of such notice, all agents referred to in subsection (1) have either replaced or reinsured in a solvent authorized insurer the insurance coverages placed by or through such agent in the delinquent insurer, such agents shall then, by registered or certified mail, or by e-mail with delivery receipt required, send to the last known address of any policyholder a written notice of the insolvency of the delinquent insurer.

(3) The license, permit, or certificate of authority of any person, firm, or corporation which fails to comply with the provisions of this section is subject to revocation as otherwise provided by law.

(4) If such person, firm, or corporation is not licensed or permitted or the holder of a certificate of authority under any section of this code, such person, firm, or corporation, or the officers and directors thereof, are, upon failure to comply with the provisions of this section, guilty of a misdemeanor of the first degree, punishable as provided in s. 775.082 or by a fine of not more than \$5,000.

History.—s. 750, ch. 59-205; s. 15, ch. 70-27; s. 809(1st), ch. 82-243; s. 24, ch. 83-38; ss. 187, 188, ch. 91-108; s. 4, ch. 91-429; s. 68, ch. 2002-206; s. 16, ch. 2015-180.