



FILED

MAR 27 2009

OFFICE OF INSURANCE REGULATION

OFFICE OF
INSURANCE REGULATION
Decoded by:

KEVIN M. McCARTY
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 103391-09

CORAL INSURANCE COMPANY

ORDER

To: Robert K. Meyers, President
Coral Insurance Company
4000 Hollywood Blvd., Ste. 285S
Hollywood, FL 33021

THIS CAUSE came on for consideration as a result of the failure of CORAL INSURANCE COMPANY (hereinafter referred to as "CORAL") to comply with the minimum surplus requirements of Section 624.408(1)(a)5., Florida Statutes. The Office of Insurance Regulation, (hereinafter referred to as the "OFFICE"), having considered this matter and being fully advised in the premises, finds as follows:

1. The OFFICE has jurisdiction over the subject matter and parties to this proceeding.
2. CORAL is a Florida corporation licensed as a property and casualty insurer on March 18, 2004.
3. On March 1, 2009, United Insurance Holdings Corp. (hereinafter referred to as "UIHC") entered into a non-binding letter of intent to acquire substantially all of the assets and

assume certain liabilities of CORAL, LLC and/or its subsidiaries, including CORAL. The OFFICE has recently been informed that UIHC will not be acquiring CORAL, LLC.

4. On March 25, 2009, CORAL submitted its 2008 financial statement to the OFFICE. In that financial statement, CORAL's surplus as regards policyholders was listed as \$1,793,421, which is \$2,206,579 below the minimum required surplus of \$4,000,000, as prescribed by Section 624.408(1)(a)5., Florida Statutes.

5. Based on the financial information CORAL has provided to the OFFICE, and related discussions with CORAL's management, the OFFICE has determined that CORAL is in an impaired state.

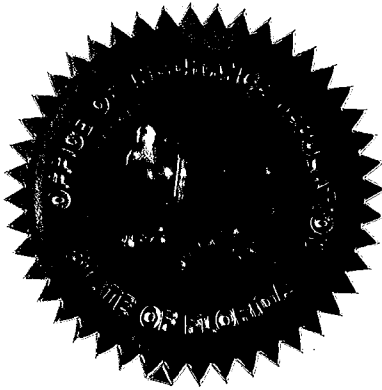
6. For these reasons, and in accordance with Section 624.421, Florida Statutes, CORAL's certificate of authority is suspended for a period of six (6) months from the date of execution of this Order.

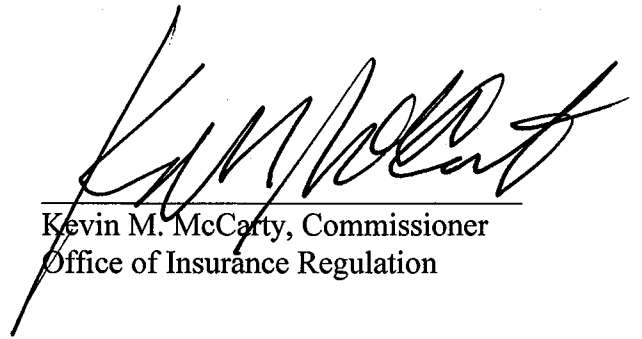
7. If, upon the expiration of the six (6) month period, CORAL has fully complied with all required state filings and is otherwise in compliance with the Florida Statutes, the OFFICE will reinstate CORAL's certificate of authority.

8. Pursuant to the provisions of Section 624.421(3), Florida Statutes, if, upon the expiration of the six (6) month period, the OFFICE finds that CORAL is not in compliance with the requirements of the Florida Insurance Code, CORAL's certificate of authority shall be deemed to have expired as of the end of the suspension period.

9. Pursuant to Section 624.421(2), Florida Statutes, during the period of suspension, CORAL shall file with the OFFICE all documents and information and pay all license fees and taxes as required under this code as if the certificate had continued in full force.

DONE and ORDERED this 27th day of March, 2009.




Kevin M. McCarty, Commissioner
Office of Insurance Regulation

NOTICE OF RIGHTS

Pursuant to Sections 120.569 and 120.57, Florida Statutes and Rule Chapter 28-106, Florida Administrative Code (F.A.C.), you may have a right to request a proceeding to contest this action by the Office of Insurance Regulation (hereinafter the "Office"). You may request a proceeding by filing a Petition. Your Petition for a proceeding must be in writing and must be filed with the General Counsel acting as the Agency Clerk, Office of Insurance Regulation. If served by U.S. Mail the Petition should be addressed to the Florida Office of Insurance Regulation at 612 Larson Building, Tallahassee, Florida 32399-4206. If Express Mail or hand-delivery is utilized, the Petition should be delivered to 612 Larson Building, 200 East Gaines Street, Tallahassee, Florida 32399-0300. The written Petition must be received by, and filed in the Office no later than 5:00 p.m. on the twenty-first (21) day after your receipt of this notice. Unless your Petition challenging this action is received by the Office within twenty-one (21) days from the date of the receipt of this notice, the right to a proceeding shall be deemed waived. Mailing the response on the twenty-first day will not preserve your right to a hearing.

If a proceeding is requested and there is no dispute of material fact the provisions of Section 120.57(2), Florida Statutes may apply. In this regard you may submit oral or written evidence in opposition to the action taken by this agency or a written statement challenging the grounds upon which the agency has relied. While a hearing is normally not required in the absence of a dispute of fact, if you feel that a hearing is necessary one may be conducted in Tallahassee, Florida or by telephonic conference call upon your request.

If you dispute material facts which are the basis for this agency's action you may request a formal adversarial proceeding pursuant to Sections 120.569 and 120.57(1), Florida Statutes. If you request this type of proceeding, the request must comply with all of the requirements of Rule Chapter 28-106.2015, F.A.C., including but not limited to:

- a) A statement requesting an administrative hearing identifying those material facts that are in dispute. If there are none, the petition must so state; and
- b) A statement of when the respondent received notice of the agency's action.

These proceedings are held before a State Administrative Law Judge of the Division of Administrative Hearings. Unless the majority of witnesses are located elsewhere, the Office will request that the hearing be conducted in Tallahassee.

In some instances, you may have additional statutory rights than the ones described herein.

Failure to follow the procedure outlined with regard to your response to this notice may result in the request being denied. Any request for administrative proceeding received prior to the date of this notice shall be deemed abandoned unless timely renewed in compliance with the guidelines as set out above.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of this Order was sent by Certified Mail to, Robert K. Meyers, President, Coral Insurance Company, 4000 Hollywood Boulevard, Suite 285S, Hollywood, Florida 33021, this 27th day of March, 2009.



Amanda Parnell
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COPIES FURNISHED TO:

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