



OFFICE OF INSURANCE REGULATION
Company Admissions

**APPLICATION FOR CERTIFICATE OF AUTHORITY
LEGAL EXPENSE INSURANCE CORPORATIONS**

This package is designed to assist individuals in preparing the application with all the information required by statute and to facilitate expeditious processing of the application by the Office of Insurance Regulation. This package includes five (5) categories of information:

Section I	-	Application Fees and Form
Section II	-	Legal
Section III	-	Financial
Section IV	-	Management
Section V	-	Forms and Rates

Each of these sections is processed by different bureaus of the Office of Insurance Regulation. It is extremely important that the application be completed in its entirety in the format specified.

Please submit your package tabularized in a binder that has been two-hole punched at the top and place the tabs at the bottom of the documents. (Example: The tab labeled II-1 would contain the certified Articles of Incorporation).

PLEASE NOTE: THE COMPLETED CHECK LIST MUST BE RETURNED WITH APPLICATION PACKAGE!

You are required to have your forms and rates approved as a condition precedent to receiving a license. All forms submitted must be either printer's proofs or actual forms with the name and address of the applicant company imprinted or typed thereon.

Mail the completed application package to:

Office of Insurance Regulation
Company Admissions
200 East Gaines Street, Larson Building
Tallahassee, Florida 32399-0332

In order for a submission to be considered a complete application, all required information must be included in the filing. Filings that do not include all required information will be disapproved or returned.

**APPLICATION FOR CERTIFICATE OF AUTHORITY
LEGAL EXPENSE INSURANCE CORPORATION**

**INSTRUCTIONS
SECTION I - APPLICATION FEES AND FORM**

Section I-1 Application Fee

Applicants must pay an application filing fee of \$250.00. This fee is due and payable at the time of filing the application for licensure.

Section I-2 License Fee

Applicants must pay a license fee of \$300.00. This fee is due and payable at the time of filing the application for licensure.

Secure your check(s) and the INVOICE (included in this package) and send to:

Florida Department of Financial Services
Bureau of Financial Services
Post Office Box 6100
Tallahassee, Florida 32314-6100

Place a copy of the INVOICE and a copy of the check with your application filing. This procedure will expedite the processing of your application and assure a timely recording of the fee.

Section I-3 Fingerprint Fee

Applicants are required to prepay electronically for the processing of the fingerprint cards required in section IV-5. Please see form OIR-C1-938 for instructions. The fingerprint cards are to be submitted with the application filing.

Place a copy of your on-line payment confirmation along with the fingerprint cards in the management section (IV-5).

NOTE: Florida residents have the option of having their fingerprints digitally scanned rather than providing paper fingerprint cards. Please see form OIR-C1-938 for instructions.

NOTE: Individuals who are non-U.S. citizens with no social security number should continue to submit payment of fingerprint fees per instructions in form OIR-C1-903.

Section I-4 Application for License to Conduct Business in the State of Florida (Legal expense insurance corporation) (Official Form)

Complete this form and have it signed by the President and Secretary of the company. An original signature and corporate seal are required on the application form submitted to the Office.

**APPLICATION FOR CERTIFICATE OF AUTHORITY
LEGAL EXPENSE INSURANCE CORPORATION**

**INSTRUCTIONS
SECTION II - LEGAL**

Section II-1 Articles of Incorporation

Include in this section, the applicant's Articles of Incorporation and all amendments. They must be certified by the State of Florida. The certification letter must be an original, certified by the Florida Secretary of State.

Section II-2 Certificate of Status from Florida Secretary of State

A certificate of status is a document issued by the Florida Secretary of State. This document shows that the company is duly organized in the state and that all taxes and fees have been paid.

This certificate must be obtained from the Secretary of State's office and filed with the application. It must show good standing, be sealed by the state, and be an original.

Section II-3 Company Bylaws

Include two sets of the company's bylaws in this section. The bylaws must be sealed by the company and signed and dated by the Secretary of the company. NO signatures other than the Secretary's signature will be accepted.

Section II-4 Consent and Agreement in re Service of Process

The Consent and Agreement in re Service of Process form (attached). NO signatures other than those of the President or Chief Executive Officer and the Secretary will be accepted, and the signatures must be under corporate seal.

Section II-5 Fictitious Name Filing

If the organization plans to utilize a fictitious name, include in this section a certified copy of a certificate from the Clerk of the Circuit Court in the county where domiciled, attesting to compliance with Section 865.09, Florida Statutes (the Fictitious Name Statute).

**APPLICATION FOR CERTIFICATE OF AUTHORITY
LEGAL EXPENSE INSURANCE CORPORATION**

**INSTRUCTIONS
SECTION III - FINANCIAL**

Section III-1 Financial Statements

The applicant must submit complete financial statements, certified if available, for the three (3) most recent years. The most recent statement should not be more than one year old and indicate a net worth of at least \$10,000 or 10% of liabilities, whichever is greater. Such financial statements shall include a balance sheet, income statement, retained earnings statement and statement of cash flows. These statements should be certified as true and correct by two officers.

If the legal expense insurance corporation is a subsidiary, or an affiliate of a holding company, consolidated statements of the parent must also be filed. All financial statements must be attested to by at least two (2) executive officers.

Section III-2 Financial Requirements

The applicant must agree to establish and maintain an unearned premium reserve as outlined by Section 625.051, Florida Statutes.

Section III-3 Deposit

To assure the faithful performance of its obligations to its contract holders in the event of insolvency, each legal expense insurance corporation shall, before the issuance of its license, deposit and maintain securities of the type eligible for deposit as follows:

- a) Legal expense insurance corporations shall deposit \$50,000 in securities in accordance with Section 625.52, Florida Statutes, for at least the first full year of operation.

OR

- b) The applicant may file with the Office, subject to the approval of the Office, a surety bond issued by an authorized surety insurer in the same amount (form attached).

For information on how to make the required securities deposit, contact the Bureau of Collateral Management at:

Department of Financial Services
Bureau of Collateral Management
Capitol Building – Room P-3
Tallahassee, FL 32399-0345
(850)413-3167

Section III-4 Plan of Operations

It is important for the Office to have a clear understanding of the proposed operations of the specialty insurer and the goals it seeks to achieve. To fulfill this requirement, the plan of operations must consist of the following information:

- A. The geographical area in which business is intended to be conducted in the first five (5) years.
- B. The types of insurance intended to be written in the first five (5) years, including specification as to whether and to what extent indemnity rather than service benefits are to be provided.

In addition, the applicant must submit the following:

- C. A statement that the applicant will bear the expense of credit reports and other outside investigative checks deemed necessary by the Office.
- D. A statement of the amount and sources of funds available for organization expenses and the proposed arrangements for reimbursement and compensation of shareholders or other persons.
- E. A statement of compensation to be provided directors and officers.
- F. A statement that the applicant is knowledgeable with the provisions of Chapter 642, Florida Statutes, and is otherwise in compliance with the law. Such statement must be signed by two executive officers.
- G. A copy of each agreement relating to the corporation to which any shareholder or proposed director or officer is a party.

Section III-5 States Where Applicant is Currently Doing Business

In this section, the applicant should provide a list of states in which it or affiliated companies conduct legal expense insurance business.

Section III-6 Alphabetical List of Proposed Sales Representatives

The applicant should complete the attached form relating to proposed sales representatives. It is understood that most applicants do not have a complete sales force in place; however, this information should be provided to the best of your ability.

Information on the licensing of sales representatives may be obtained from the Bureau of Licensing by calling (850) 413-3137.

**APPLICATION FOR CERTIFICATE OF AUTHORITY
LEGAL EXPENSE INSURANCE CORPORATION**

**INSTRUCTIONS
SECTION IV - MANAGEMENT**

ANY NAMES REQUESTED IN THIS SECTION SHOULD INCLUDE COMPLETE FIRST, MIDDLE AND LAST NAMES.

Section IV-1 List of All Officers, Directors and Shareholders

- A. List on the enclosed form, Complete List of Officers, Directors, and Shareholders (10% or more), the names of each officer, director, and person having direct or indirect control of the organization, including officers and directors up through the ultimate parent corporation or holding company. Use a separate form for each company.

Include on this form the names of each shareholder owning ten percent (10%) or more of any class of any outstanding stock of the organization, including shareholders owning ten percent (10%) or more up through the ultimate parent corporation, together with the percentage, number of shares, and class of shares held by each shareholder. If any 10% or greater owner is an entity other than a natural person, please list the owners, officers, directors, and managing members of this entity on the referenced forms. Use a separate form for each company.

- B. If the applicant is a subsidiary of a parent or holding company, provide an organization chart showing the relationship of all related corporations.
- C. Full names, including middle names, must be listed. Please state if a middle name does not exist.

Section IV-2 Biographical Statement and affidavits as to all company Officers, Directors and Shareholders

Provide a biographical affidavit (Form OIR-C1-1423) for each officer, director, and shareholder listed in Section IV-1 except for those companies in the organizational structure between the immediate parent and the ultimate parent. All questions must be answered. If, however, the biographical affidavits are currently on file and are not more than two years old, no submission is necessary.

The requirement for the affiant's social security number as part of the Biographical Affidavit is mandatory. However, pursuant to section 119.071(5), Florida Statutes, social security numbers collected by an agency are confidential and exempt from section 119.07(1), Florida Statutes, and section 24(a), Art. 1 of the State Constitution and must be segregated on a separate page. Therefore, instead of including the SSN on page 6 of the NAIC form, please include the affiant's name and social security number on a separate page and attach it to the Biographical Affidavit. Also please stamp CONFIDENTIAL at the top and bottom of the separate page.

Section 119.071(5), Florida Statutes, gives authority for an agency to collect social security numbers if imperative for the performance of that agency's duties and responsibilities as prescribed by law. Limited collection of social security numbers is imperative for the Office of Insurance Regulation. The duties of the Office of Insurance Regulation in background investigation are extensive in order to insure that the owners, management, officers, and directors of any insurer are competent and trustworthy, possess financial standing and business experience, and have not been found guilty of, or not pleaded guilty or nolo contendere to, any felony or crime punishable by imprisonment of one year.

Section IV-3 Investigative Background Reports

An Investigative Background Report must be provided for each person listed in Section IV-1 above except for those companies in the organizational structure between the immediate parent and the ultimate parent. Background reports must be submitted by the selected background investigator vendor directly to the Office prior to or contemporaneously with the submission of the application filing. Please refer to form OIR-C1-905 for instructions.

Section IV-4 Fingerprint Cards

Fingerprint cards must be completed for each person listed in Section IV-1. The cards will be furnished by the Office upon request. **No cards other than those furnished by the Office will be accepted.** The cards must be completed at a law enforcement agency and returned to this Office for processing. Please refer to form OIR-C1-938 for instructions.

Due to the length of time required by law enforcement agencies to process fingerprint cards, it is suggested that the cards be ordered immediately so they may be submitted before or with the application.

Please place the completed fingerprint cards in this section.

Note: Florida residents have the option of having their fingerprints digitally scanned rather than providing paper fingerprint cards and fees as noted above. Please refer to form OIR-C1-938 for instructions.

**APPLICATION FOR CERTIFICATE OF AUTHORITY
LEGAL EXPENSE INSURANCE CORPORATION**

**INSTRUCTIONS
SECTION V - FORMS AND RATES**

NOTE: THE COMPANY IS CAUTIONED NOT TO WRITE BUSINESS USING UNAPPROVED FORMS OR RATES.

Section V-1 Forms

Submit three copies of all forms to be used for any proposed contract between the corporation and participating attorneys, between the corporation and corporations which perform administrative, marketing or management services and forms relating to the provision of services to insureds.

Each contractual obligation for legal expense insurance shall be evidenced by a policy. Each person insured under a group policy shall be issued a certificate of coverage.

Submit three copies of all forms of legal service contracts the applicant proposed to offer. Such contracts must meet the requirements of Sections 642.025 and 642.027, Florida Statutes.

Section V-2 Rates

Submit three copies of all rates to be charged, rating schedules or rating manuals. Please note that all legal service agreements must be sold at the approved rates.

NOTE: All the above items must be filed with the Florida Bar within five days after filing with the Office pursuant to Section 642.021 (3), Florida Statutes.

Section V-3 Commission Structure

Submit a complete breakdown of your proposed commission structure. The breakdown should include but not limited to: sales representatives, agents, insurers and licensed administrators.

**APPLICATION FOR CERTIFICATE OF AUTHORITY
LEGAL EXPENSE INSURANCE CORPORATION**

**CHECK LIST
SECTION I - APPLICATION FEES AND FORM**

Company Name: _____

<u>Item #</u>	<u>Completion Check List</u>
1	Specialty insurer application fee paid <input type="checkbox"/>
(a)	Copy of invoice included (Official Form) <input type="checkbox"/>
(b)	Copy of check <input type="checkbox"/>
(c)	Copies placed as top documents in application <input type="checkbox"/>
(d)	Original mailed to Bureau of Financial and Support Services <input type="checkbox"/>
2.	Specialty insurer license fee paid <input type="checkbox"/>
(a)	Copy of invoice included (Official Form) <input type="checkbox"/>
(b)	Copy of check <input type="checkbox"/>
(c)	Copies placed as top documents in application <input type="checkbox"/>
(d)	Original mailed to Bureau of Financial and Support Services <input type="checkbox"/>
3.	Fingerprint fees paid electronically <input type="checkbox"/>
(a)	Copy of on-line payment confirmation <input type="checkbox"/>
	Or, if applicable
(b)	Copy of form OIR-C1-903 (Invoice) included <input type="checkbox"/>
(c)	Copy of check included <input type="checkbox"/>
(d)	Originals mailed to Bureau of Financial Services <input type="checkbox"/>
4.	Company completed application for license (Official Form) <input type="checkbox"/>
(a)	All blanks completed <input type="checkbox"/>
(b)	Sealed by company <input type="checkbox"/>
(c)	Signed by President (original signature) <input type="checkbox"/>

**APPLICATION FOR CERTIFICATE OF AUTHORITY
LEGAL EXPENSE INSURANCE CORPORATION**

**CHECK LIST
SECTION II - LEGAL**

Company Name: _____

<u>Item #</u>	<u>Completion Check List</u>
1. Articles of Incorporation	<input type="checkbox"/>
(a) Original certification by Florida Secretary of State	<input type="checkbox"/>
(b) Articles with all amendments attached	<input type="checkbox"/>
(c) Original	<input type="checkbox"/>
2. Certificate of Status from Florida	<input type="checkbox"/>
(a) Good standing indicated.....	<input type="checkbox"/>
(b) Sealed by State	<input type="checkbox"/>
(c) Signed by Secretary of State	<input type="checkbox"/>
(d) Original	<input type="checkbox"/>
3. Company Bylaws	<input type="checkbox"/>
(a) Signed and dated by corporate secretary	<input type="checkbox"/>
(b) Sealed by the company (corporate seal).....	<input type="checkbox"/>
(c) Two copies	<input type="checkbox"/>
4. Consent and Agreement in re Service of Process (Official Form)	<input type="checkbox"/>
(a) Signed and dated by:	
1. President of Chief Executive Officer.....	<input type="checkbox"/>
2. Secretary	<input type="checkbox"/>

- (b) Sealed by company (corporate seal)
- (c) Original with all blanks completed
- 5. Fictitious Name Certificate (if applicable)
- (a) Original

**APPLICATION FOR CERTIFICATE OF AUTHORITY
LEGAL EXPENSE INSURANCE CORPORATION**

**CHECK LIST
SECTION III - FINANCIAL**

Company Name _____

<u>Item #</u>	<u>Completion Check List</u>
1. Financial statements	<input type="checkbox"/>
(a) Balance sheet	<input type="checkbox"/>
(b) Income statement	<input type="checkbox"/>
(c) Statement of cash flows	<input type="checkbox"/>
(d) Verified under oath by at least two of the principal officers	<input type="checkbox"/>
(e) Net worth shown is at least \$10,000 or 10% of liabilities, whichever is greater	<input type="checkbox"/>
(f) Not over 12 months old	<input type="checkbox"/>
(g) If indication of a parent corporation in Section IV, financial statement for parent	<input type="checkbox"/>
2. Financial requirement statement	<input type="checkbox"/>
(a) Statement – Maintenance of Unearned Premium Reserve pursuant to Section 625.051	<input type="checkbox"/>
3. Deposit:	
(a) \$50,000 in securities authorized under Section 625.52, Florida Statutes	<input type="checkbox"/>
OR,	
(b) Surety bond issued by an authorized surety insurer in the amount of \$50,000	<input type="checkbox"/>

- 4. Plan of Operations
 - (a) Geographical area
 - (b) Types of insurance
 - (c) Applicant will bear expenses
 - (d) Amount and Sources of Funds
 - (e) Compensation to officers & directors
 - (f) Applicant knowledgeable with 642
 - (g) Agreement to which principals party (if any)
- 5. List of states in which the applicant is active
- 6. List of sales representatives (Official Form).....

**APPLICATION FOR CERTIFICATE OF AUTHORITY
LEGAL EXPENSE INSURANCE CORPORATION**

**CHECK LIST
SECTION IV - MANAGEMENT**

Company Name _____

<u>Item #</u>	<u>Completion Checklist</u>
1. Listing of officers, directors, controlling individuals, and Shareholders	<input type="checkbox"/>
(a) Separate listing of all officers, directors, controlling individuals, and shareholders including percentage held and number and class of shares for the company and its parents and/or holding companies (Official Form)	<input type="checkbox"/>
(b) If parent company indicated, organization chart.....	<input type="checkbox"/>
(c) Full names and titles listed (including full middle name or indication if one does not exist)	<input type="checkbox"/>
2. Biographical Affidavits for each individual listed in Section IV-I (Official Form)	<input type="checkbox"/>
For each form:	
(a) All blanks completed	<input type="checkbox"/>
(b) "Contains original signature	<input type="checkbox"/>
(c) Notarized (original)	<input type="checkbox"/>
(d) Full name given (including full middle name or indication if One does not exist)	<input type="checkbox"/>
(e) Submitted original of each affidavit	<input type="checkbox"/>
(f) Provide Social Security Number on separate page	<input type="checkbox"/>

3. Investigative Background Report for each individual listed in Section IV-1

4. Fingerprint cards enclosed for each person listed in Section IV-I

For each card:

(a) Card obtained from the Office of Insurance Regulation

(b) Card contains original signature

(c) No erasures on or alteration of card

(d) All blanks completed

**APPLICATION FOR CERTIFICATE OF AUTHORITY
LEGAL EXPENSE INSURANCE CORPORATION**

**CHECK LIST
SECTION V - FORMS AND RATES**

Company Name _____

<u>Item #</u>	<u>Completion Check List</u>
1. Forms and sales brochures	<input type="checkbox"/>
(a) 3 copies of agreements:	<input type="checkbox"/>
(1) Participating attorney	<input type="checkbox"/>
(2) Administrative or marketing	<input type="checkbox"/>
(3) Policy	<input type="checkbox"/>
(4) Certificate of coverage, if group policy	<input type="checkbox"/>
(b) Forms and agreements filed with the Florida Bar	<input type="checkbox"/>
2. Rates to be charged	<input type="checkbox"/>
(a) 3 copies	<input type="checkbox"/>
3. Proposed commission structure	<input type="checkbox"/>

CHECKLIST VERIFICATION

The undersigned says that he/she is a senior officer having personal knowledge of the application submitted to the Florida Office of Insurance Regulation in connection with licensure sought by _____ that he/she has read said

(Entity Name)

application, that he/she knows the contents thereof and verifies that the items indicated in the application checklist have been submitted with the application, that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the applicant on behalf which the person acted, executed the instrument.

I understand that whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his or her official duties is guilty of a misdemeanor of the second degree, pursuant to Section 837.06, Florida Statutes.

Dated _____

(Give full and exact name of Applicant)

Signature of President, Secretary, or Treasurer

Printed Name

Printed Title

**APPLICATION FOR LICENSE TO CONDUCT BUSINESS
IN THE STATE OF FLORIDA
LEGAL EXPENSE INSURANCE CORPORATION**

_____, 20__

TO THE DIRECTOR OF INSURANCE REGULATIONS,
TALLAHASSEE, FLORIDA

SIR: The _____
(Give name of company or association in full)

Federal Identification Number _____

Of _____
(Home Office Address) (City) (State) (Zip)

Telephone: () _____ Fax: () _____

E-Mail Address: _____

through its duly authorized officers, hereby applies for certificate of authority authorizing and empowering the company aforesaid to transact legal expense insurance business in the State of Florida, under the laws thereof and do hereby affirm that all of the responses, information, exhibits, and documentary evidence submitted in support of this application are true and correct.

By _____
President or Chief Executive Officer

(Corporate Seal)

Attest _____
Secretary

Name of Attorney or Principal filing this application:

Name: _____ Title: _____

Company: _____

Street Address: _____

City: _____ State: _____ Zip Code: _____

Telephone: () _____ Fax: () _____

E-Mail Address: _____

INVOICE

**LEGAL EXPENSE INSURANCE CORPORATION
PAYMENT OF APPLICATION FEES**

NAME OF APPLICANT: _____

FEIN#: _____

ADDRESS: _____

CITY, STATE & ZIP CODE: _____

ADDRESS (IF DIFFERENT FROM Applicant's ADDRESS)

(CITY)

(STATE)

(ZIP CODE)

PHONE NUMBER: _____

It is necessary for you to return this form with the proper payment.

PLEASE NOTE:

1. Send a check in the proper amount made payable to the Florida Department of Financial Services and **mail the check and invoice only** to the Department of Financial Services, Bureau of Financial Services, PO Box 6100, Tallahassee, Florida 32314-6100.
2. Send a **copy** of the **check** and a copy of the **invoice** along with the completed application package to the Office of Insurance Regulation, Applications Coordination Section, 200 East Gaines Street, Larson Building, Tallahassee, Florida 32399-0332.

RECEIPT NUMBER	AMOUNT	TYPE	CLASS	FUND	ACCT	SOURCE
	L.F.\$300	10	34	3	01	1
	F.F.\$250	10	35	3	00	1