

2000 PROPERTY AND CASUALTY TARGET MARKET CONDUCT EXAMINATION

OF

REDLAND INSURANCE COMPANY
(CLARENDON INSURANCE GROUP)

BY

THE FLORIDA DEPARTMENT OF INSURANCE

Filed Date: 2-19-01

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I. INTRODUCTION

Redland Insurance Company is a foreign property and casualty insurer licensed to conduct business in the State of Florida during the scope of this examination, January 1999 through July 2000. The examination began September 10, 2000 and ended September 13, 2000.

Records reviewed during this examination included lender force-placed flood policies.

Specifically, this report contains examination results addressing the relationship of issue date to effective date of lender force-placed flood policies.

II. REVIEW OF POLICIES

A. FLOOD POLICIES

1. Application of Rules and Rates

When a homeowner fails to maintain proof of flood insurance, a request is made to issue a force-placed flood policy to provide the coverage.

Redland Insurance Company currently has one (1) policy in force. The initial new business policy period of lender force-placed flood policies was examined to establish the relationship of effective date to issue date of the policies.

2. Exam Findings

One (1) policy was reviewed. The initial policy period was reviewed in order to verify the handling of new policy issuance.

No errors were found.

The following chart reflects the pertinent data associated with the initial policy period of the policy reviewed.

REDLAND INSURANCE COMPANY

FORCE-PLACED FLOOD POLICIES

No	Policy #	Payment Received	Issue Date	Effective Date	Correct Effective Date	Number of Days Backdated
1	Donald G. Young	09/10/96	09/10/96	09/03/96	09/03/96	0

This was the only in-force policy the Company had to review which originated in 1996.

III. CLAIMS

There were no claims to review during the scope of this exam.

IV. EXHIBITS

<u>SUBJECT</u>	<u>EXHIBIT NUMBER</u>
FEDERAL FLOOD PROGRAM GUIDELINES	I
CLAIM HANDLING PROCEDURES	II