FILED

SEP 15 2025

INSURANCE REGULATION
Docketed by:

OFFICE OF INSURANCE REGULATION

MICHAEL YAWORSKY
COMMISSIONER

Index: OIR 2025-187

IN THE MATTER OF:

CASE NO.: 401796-25-CO

CLEAR BLUE INSURANCE COMPANY
_____/

CONSENT ORDER

THIS CAUSE came for consideration as the result of a market conduct examination of CLEAR BLUE INSURANCE COMPANY ("CLEAR BLUE") conducted by the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE"). The OFFICE having considered the records in this case and being otherwise fully advised in the premises, finds as follows:

JURISDICTION AND PARTIES

1. The OFFICE has jurisdiction over CLEAR BLUE and the subject matter of this proceeding.

2. CLEAR BLUE is a Texas domiciled property and casualty insurer that became authorized to transact business in Florida on December 31, 1998. The OFFICE issued a certificate of authority to CLEAR BLUE, in accordance with chapter 624, Part III, Florida Statutes. CLEAR BLUE is authorized to write the Fire, Allied Lines, Homeowners Multi-Peril, and various other lines of business in the State of Florida.

BACKGROUND

3. On or about May 22, 2025, the OFFICE completed a targeted Market Conduct Examination of CLEAR BLUE ("Exam"). The OFFICE completed the Exam in accordance with

section 624.3161(7)(b), Florida Statutes (2025). As part of the exam, the OFFICE reviewed CLEAR BLUE'S Hurricane Ian claims-handling operations and issued a report with the OFFICE's findings.

4. The OFFICE documented the following violations of the Florida Insurance Code by CLEAR BLUE:

a. Failure to utilize properly appointed adjusters (section 626.112(1)(a), Florida Statutes (2025));

b. Failure to acknowledge claims communications within fourteen calendar days (Section 627.70131(1)(a), Florida Statues (2022));[1]

c. Failure to pay or deny a claim or portion of a claim within 90 days after notice of an initial, reopened, or supplemental property insurance claim (Section 627.70131(7)(a), Florida Statutes (2025)); and

d. Failure to pay interest when the claim payment was made ninety days after receiving notice of the claim (section 627.70131(7)(a), Florida Statutes (2025)).

[1]Section 627.70131, Florida Statutes (2023), reduced the 14-day timeframe to 7 days, the 45-day timeframe to 30 days, and the 90-day timeframe to 60 days. Other revisions were also made to the law.

VIOLATIONS OF THE FLORIDA INSURANCE CODE

CLEAR BLUE violated section 626.112(1)(a) because it failed to utilize properly appointed adjusters.

5. Section 626.112(1)(a), Florida Statutes, provides that no person may be, act as, or advertise or hold himself or herself out to be an insurance agent, insurance adjuster, or customer representative unless he or she is currently licensed by the department and appointed by an appropriate appointing entity or person.

6. In eighty-six instances, the OFFICE documented that CLEAR BLUE utilized adjusters who were not properly appointed.

CLEAR BLUE violated section 627.70131(1)(a), Florida Statutes (2022), because it has failed to acknowledge claims communications within fourteen calendar days.

7. Section 627.70131(1)(a), Florida Statutes (2022), provides that upon an insurer's receiving a communication with respect to a claim, the insurer shall, within fourteen calendar days, review and acknowledge receipt of such communication unless payment is made within that period of time or unless the failure to acknowledge is caused by factors beyond the control of the insurer.

8. In forty-three instances, the OFFICE documented that CLEAR BLUE did not acknowledge receipt of a claim communication within fourteen calendar days.

CLEAR BLUE violated section 627.70131(7)(a) because it failed to pay or deny initial, supplemental, or reopened claims within ninety days.

9. Section 627.70131(7)(a) provides that within ninety days after an insurer receives notice of an initial, reopened, or supplemental property insurance claim from a policyholder, the insurer shall pay or deny such claim or a portion of the claim.

10. In twenty-seven instances, the OFFICE documented that CLEAR BLUE did not, within ninety days, pay or deny initial, supplemental, or reopened claims.

11. Section 627.70131(7)(a) also provides that any payment of an initial or supplemental claim or portion of such claim made ninety days after the insurer receives notice of the claim, or made more than fifteen days after there are no longer factors beyond the control of the insurer which reasonably prevented such payment, whichever is later, bears interest at the rate set forth in section 55.03, Florida Statutes.

12. In eighteen instances, the OFFICE documented that CLEAR BLUE did not pay interest when the claim payment was made more than ninety days after receiving notice of the claim, or more than fifteen days after there were no longer factors beyond the control of the insurer which reasonably prevented such payment.

CONCLUSION

13. Section 624.418 provides that the OFFICE may, in its discretion, suspend or revoke the certificate of authority of an insurer if it finds that the insurer has violated any provision of the Florida Insurance Code.

14. Section 624.4211 provides that if the OFFICE finds that one or more grounds exist for the discretionary revocation or suspension of a certificate of authority issued under chapter 624, it may, in lieu of such revocation or suspension, impose a fine upon the insurer.

15. The OFFICE finds that CLEAR BLUE has violated section 626.112(1)(a), Florida Statutes (2022), and section 627.70131(1)(a), and (7)(a), Florida Statutes (2025).

16. CLEAR BLUE agrees that within ten days of the execution of this Consent Order, CLEAR BLUE shall pay an administrative fine in the amount of $400,000 U.S. Dollars ("USD") and administrative costs in the amount of $2,000 USD to the OFFICE. CLEAR BLUE shall not

provide payment before the Commissioner executes this Consent Order. CLEAR BLUE shall send its payment to the address reflected on the invoice attached hereto as "Exhibit A".

17. Any deadlines, reporting requirements, other provisions, or requirements set forth in this Consent Order may be altered or terminated by written approval of the OFFICE. Such approval must be requested in writing prior to any proposed deviation from the terms of this Consent Order.

18. CLEAR BLUE agrees that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result, without further proceedings, in the OFFICE suspending, revoking, or taking other administrative action as it deems appropriate upon CLEAR BLUE's certificate of authority in this state, in accordance with sections 120.569(2)(n) and 120.60(6).

19. CLEAR BLUE additionally agrees that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may be considered willful and subject CLEAR BLUE to appropriate penalties and fines, as specifically authorized by law.

20. CLEAR BLUE additionally agrees that any future violations of the statutes or rules named herein may be deemed willful, subjecting CLEAR BLUE to penalties as the OFFICE deems appropriate.

21. CLEAR BLUE expressly waives a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which it may be entitled by law or rules of the OFFICE. CLEAR BLUE hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order in any forum available

to it, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

22. Except as noted above, each party to this action shall bear its own costs.

23. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed a copy of this Consent Order bearing the notarized signature of the authorized representative of CLEAR BLUE.

WHEREFORE, the agreement between CLEAR BLUE INSURANCE COMPANY and the FLORIDA OFFICE OF INSURANCE REGULATION, the terms and conditions of which are set forth above, is APPROVED.

All terms and conditions contained herein are hereby ORDERED.

DONE AND ORDERED this 15 day of SEPTEMBER, 2025.

OFFICE OF INSURANCE REGULATION STATE OF FLORIDA

Michael Yaworsky, Commissioner
Office of Insurance Regulation

By execution hereof, CLEAR BLUE INSURANCE COMPANY consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind CLEAR BLUE INSURANCE COMPANY, to the terms and conditions of this Consent Order.

CLEAR BLUE INSURANCE COMPANY

By: _____

[Corporate Seal]

Print Name: Christopher Soares

Title: Corporate Secretary

Date: 8/18/25

STATE OF North Carolina

COUNTY OF Mecklenburg

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 18th day of August 2025, by Christopher Soares (name of person) as Corporate Secretary (type of authority; e.g., officer, trustee, attorney-in-fact) for Clear Blue Insurance Company (company name).

Christopher De Nittis
NOTARY PUBLIC
Mecklenburg County
North Carolina
My Commission Expires 10/1/2025

_____
(Signature of the Notary)

Christopher De Nittis
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known ✓ OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires 10/1/2025

COPIES FURNISHED TO:

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