

Amendment No.

CHAMBER ACTION

Senate

House

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1 Representative(s) Grant offered the following:

2
3 **Amendment (with title amendment)**

4 Between lines 9 and 10, insert:

5 Section 1. Subsections (1) and (2) of section 628.461,
6 Florida Statutes, are amended to read:

7 628.461 Acquisition of controlling stock.--

8 (1) No person shall, individually or in conjunction with
9 any affiliated person of such person, acquire directly or
10 indirectly, conclude a tender offer or exchange offer for, enter
11 into any agreement to exchange securities for, or otherwise
12 finally acquire 5 percent or more of, the outstanding voting
13 securities of a domestic stock insurer or of a controlling
14 company, unless:

15 (a) The person or affiliated person has filed with the
16 office:

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17 1. And sent to the insurer and controlling company a
18 letter of notification relating to the transaction or proposed
19 transaction ~~statement as specified in subsection (3)~~ no later
20 than 5 days after any form of tender offer or exchange offer is
21 proposed, or no later than 5 days after the acquisition of the
22 securities if no tender offer or exchange offer is involved.
23 Such notification shall be provided on forms prescribed by the
24 commission containing information deemed necessary to understand
25 the transaction and identify all purchasers and owners involved;
26 and

27 2. A statement as specified in subsection (3). Such
28 statement shall be completed and filed within 30 days after any
29 form of tender offer or exchange offer is proposed, or after the
30 acquisition of the securities if no tender offer or exchange
31 offer is involved; and

32 (b) The office has approved the tender or exchange offer,
33 or acquisition if no tender offer or exchange offer is involved,
34 and approval is in effect.

35
36 In lieu of a filing as required under this subsection, a party
37 acquiring less than 10 percent of the outstanding voting
38 securities of an insurer may file a disclaimer of affiliation
39 and control. The disclaimer shall fully disclose all material
40 relationships and basis for affiliation between the person and
41 the insurer as well as the basis for disclaiming the affiliation
42 and control. After a disclaimer has been filed, the insurer
43 shall be relieved of any duty to register or report under this
44 section which may arise out of the insurer's relationship with

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45 the person unless and until the office disallows the disclaimer.
46 The office shall disallow a disclaimer only after furnishing all
47 parties in interest with notice and opportunity to be heard and
48 after making specific findings of fact to support the
49 disallowance. A filing as required under this subsection must be
50 made as to any acquisition that equals or exceeds 10 percent of
51 the outstanding voting securities.

52 (2) This section does not apply to any acquisition of
53 voting securities of a domestic stock insurer or of a
54 controlling company by any person who, on July 1, 1976, is the
55 owner of a majority of such voting securities or who, on or
56 after July 1, 1976, becomes the owner of a majority of such
57 voting securities with the approval of the office pursuant to
58 this section. The person or affiliated person filing the notice
59 required in subparagraph (1)(a)1. may request, in writing, the
60 office to waive the requirements of subparagraph (1)(a)2. if
61 there is no change in the ultimate controlling shareholder or
62 ownership percentages of the ultimate controlling shareholders
63 and no unaffiliated parties acquire any direct or indirect
64 interest in the insurer. The office may waive such filing if the
65 office determines that in fact there is no change in the
66 ultimate controlling shareholder or ownership percentages of the
67 ultimate controlling shareholders and no unaffiliated parties
68 acquire any direct or indirect interest in the insurer.

69 Section 2. Subsections (2) and (3) of section 628.4615,
70 Florida Statutes, are amended to read:

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71 628.4615 Specialty insurers; acquisition of controlling
72 stock, ownership interest, assets, or control; merger or
73 consolidation.--

74 (2) No person shall, individually or in conjunction with
75 any affiliated person of such person, directly or indirectly,
76 conclude a tender offer or exchange offer for, enter into any
77 agreement to exchange securities for, or otherwise finally
78 acquire, 10 percent or more of the outstanding voting securities
79 of a specialty insurer which is a stock corporation or of a
80 controlling company of a specialty insurer which is a stock
81 corporation; or conclude an acquisition of, or otherwise finally
82 acquire, 10 percent or more of the ownership interest of a
83 specialty insurer which is not a stock corporation or of a
84 controlling company of a specialty insurer which is not a stock
85 corporation, unless:

86 (a) The person or affiliated person has filed with the
87 office:

88 1. And sent by registered mail to the principal office of
89 the specialty insurer and controlling company a letter of
90 notification relating to the transaction or proposed transaction
91 ~~an application, signed under oath and prepared on forms~~
92 ~~prescribed by the commission, that contains the information~~
93 ~~specified in subsection (4)~~ no later than 5 days after any form
94 of tender offer or exchange offer is proposed, or no later than
95 5 days after the acquisition of the securities or ownership
96 interest if no tender offer or exchange offer is involved. Such
97 notification shall be provided on forms prescribed by the

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98 commission containing information deemed necessary to understand
99 the transaction and identify all purchasers and owners involved.

100 2. An application, signed under oath and prepared on forms
101 prescribed by the commission, that contains the information
102 specified in subsection (4). The application shall be completed
103 and filed within 30 days after any form of tender offer or
104 exchange offer is proposed, or after the acquisition of the
105 securities if no tender offer or exchange offer is involved.

106 (b) The office has approved the tender offer or exchange
107 offer, or acquisition if no tender offer or exchange offer is
108 involved.

109 (3) This section does not apply to any acquisition of
110 voting securities or ownership interest of a specialty insurer
111 or of a controlling company by any person who, on July 9, 1986,
112 is the owner of a majority of such voting securities or
113 ownership interest or who, on or after July 9, 1986, becomes the
114 owner of a majority of such voting securities or ownership
115 interest with the approval of the office pursuant to this
116 section. The person or affiliated person filing the notice
117 required in subparagraph (2) (a)1. may request, in writing, the
118 office to waive the requirements of subparagraph (2) (a)2. if
119 there is no change in the ultimate controlling shareholder or
120 ownership percentages of the ultimate controlling shareholders
121 and no unaffiliated parties acquire any direct or indirect
122 interest in the specialty insurer. The office may waive such
123 filing if the office determines that in fact there is no change
124 in the ultimate controlling shareholder or ownership percentages
125 of the ultimate controlling shareholders and no unaffiliated

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126 parties acquire any direct or indirect interest in the specialty
127 insurer.

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129 ===== T I T L E A M E N D M E N T =====

130 Between lines 2 and 3, insert:

131 amending s. 628.461, F.S.; revising criteria for acquiring
132 controlling stock of a domestic insurer or controlling company;
133 revising criteria for nonapplication to certain acquisitions;
134 providing requirements and criteria for authorized waivers by
135 the Office of Insurance Regulation of certain requirements;
136 amending s. 628.4615, F.S.; revising criteria for acquiring
137 controlling stock of certain specialty insurers or controlling
138 companies; revising criteria for nonapplication to certain
139 acquisitions; providing requirements and criteria for authorized
140 waivers by the Office of Insurance Regulation of certain
141 requirements;