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## GENERAL INFORMATION

### Who is Southern Oak Insurance Company?

1. A Florida Domiciled Company which means the company is headquartered in Florida and has been approved by the Florida Department of Financial Services.
2. Independent Agents are a key component of Southern Oak's Strategic Plan to establish itself as a long-term insurance company in the state of Florida
3. Southern Oak's products include HO-3 (Homeowners Policy), HO-6 (Condo Unit Owners Policy), HO-4 (Tenant Policy), and DP-3 (Dwelling Fire Policy) policies.
4. Management Team has over 50 years property experience with a majority of that experience in Florida
5. Ownership – The company is privately held by Florida residents
6. Strategic alliance with the MacNeill Group Inc. and others that are experienced in the Florida market

The company is based in Jacksonville, Florida. We have formed our own Managing General Agency – Southern Oak Management, LLC, which contracts with independent agents to represent the company.

### Where can I obtain additional information on Southern Oak?

Additional information may be obtained by visiting our website at [www.southernoakins.com](http://www.southernoakins.com) or by visiting the Florida Office of Insurance Regulation at [www.floir.com](http://www.floir.com).

### Should the policyholder call Citizens or Southern Oak if they have a loss since the policy is still with Citizens until the renewal date?

- For claims that occur **prior to the assumption date** listed on the notice sent to the policyholder, Contact Citizens toll free at 866-411-2742.
- For claims occurring **on or after the assumption date** listed on the Assumption Notice sent to the policyholder, Call Southern Oak Insurance toll free at 877-900-2280.

### Why is a policy “assumed” or taken from Citizens?

Citizens is recognized as the insurer of last resort in Florida and therefore is legislatively mandated to

charge the highest premiums in the state. Despite recent legislative changes, Citizens continues growing therefore it is important for them to distribute their exposure among other companies. For that reason they have set up a “takeout program” where Florida admitted companies are encouraged to remove policies.

This benefits everyone in Florida because it reduces the potential exposure to catastrophic loss to Citizens and creates new business opportunities for other companies in Florida. In addition, policyholders win because generally they will see more coverage options and lower rates.

**What if a policyholder doesn’t want to accept the offer?**

Your agent has the opportunity to refuse participation in Southern Oak take outs. Additionally, each policyholder is sent a letter, prior to their assumption/renewal date offering them the opportunity to “opt out” of their assumption. You should discuss this decision with your agent.

**Will Southern Oak continue to take policies out of Citizens?**

The Florida Department of Financial Services and the Citizens Board of Governors have approved Southern Oak to remove policies from Citizens through June 2009. This Take-Out Agreement may be renewed or a new agreement may be signed to allow take-outs well into the future.

**How do I know Southern Oak will be around if another major storm should hit Florida?**

The Florida Department of Financial Services has strict regulations regarding a Company’s financial status, and what financial backing is needed to start a new insurance company. Southern Oak has also obtained a very solid program of reinsurance which minimizes the exposure in case of a catastrophe by transferring the risk to the reinsurance company. Southern Oak only enters into reinsurance contracts with companies rated A- or better. We also have protection from the Florida Hurricane Catastrophe Fund.

**What is Southern Oak’s rating by A.M Best?**

Typically, A.M. Best will not rate a company until it has been operational for a minimum of five years. As such, Southern Oak has not yet been rated by A.M. Best.

**If Southern Oak has not been rated by A.M. Best, will mortgage companies accept the Southern Oak policy?**

In nearly all instances the answer is yes. Southern Oak has a Demotech Financial Stability Rating® of A (Exceptional). A Demotech rating of A is accepted by all mortgages backed by Fannie Mae (Federal National Mortgage Association) and Freddie Mac (Federal Home Loan Mortgage Corporation). These two associations back nearly all mortgages written in the United States.

**What exactly does a Demotech Financial Stability Rating® of A (Exceptional) mean?**

To find more information on this, you can visit the [Demotech](#) website.

**Will the Southern Oak homeowner policy provide any additional coverage in comparison to the previous Citizens policy?**

Yes, in addition to the option to purchase coverage not previously available with Citizens, our homeowner policy provides additional limits of coverage for items such as securities, trailers, theft of watercraft and firearms, business items off premises, electronic apparatus, electronic accessories and coverage for theft of personal property while anywhere in the world.

**What additional optional homeowner coverage are offered by Southern Oak that are not offered by Citizens?**

- Increased Medical Payments Coverage to \$5,000
- Increased Limits for Theft of Jewelry, Watches and Furs to \$5,000
- Increased Limits for Theft of Silverware to \$10,000
- Ability to purchase Animal Liability coverage (subject to underwriting guidelines)
- Ability to purchase Physical Damage Coverage of \$5,000 for Golf Carts

**What types of payment options are available with Southern Oak?**

There are a number of available payment options. The payment plans apply to policy premium only. All policy fees are due at policy inception. The selected payment plan must be indicated on the application. All future renewals will be billed the same way unless otherwise instructed by the insured or agent.

1. Full-pay - pay the renewal premium in full.
2. Semi-Annual - 60% down and the remaining 40% due on the 180<sup>th</sup> day from policy effective date. There is a \$5 fee charged per payment.
3. Quarterly – 40% down and the remaining due in 20% installments due on the 90<sup>th</sup>, 180<sup>th</sup> and 270<sup>th</sup> days from the policy effective date. There is a \$5 fee charged per payment.

**Can premium payments be made via a Premium Finance Company?**

Yes. If this payment option is selected, the Premium Finance Agreement must be submitted with the application. The application must also clearly indicate the Premium Finance Company. In addition, all underwriting rules applicable to application submission would apply. Consult your agent regarding premium financing as an option.

## **AGENT FAQ**

### **What is the commission's rate to be paid by Southern Oak?**

Commission rates are included in the Agency Appointment Agreement.

### **How long will I be the agent of record on this policy?**

You will continue to be the agent of record as long as you maintain a licensing agreement with Southern Oak and the policyholder continues doing business with you.

### **Can I write new business with Southern Oak?**

Only agencies who receive a Voluntary Appointment Agreement may write new business with Southern Oak. You may inquire about receiving a voluntary appointment by filling out our quick Agency Information form via our website at <http://www.southernoakins.com/AgcyInfo.asp>

### **Who will be handling underwriting and customer service issues?**

The MacNeill Group, in Sunrise, FL handles all policy administration matters, including agency administration on behalf of Southern Oak Management. When you call the toll free number for customer service at 877-900-3971, you will be contacting the MacNeill and an independent unit dedicated to handling inquiries of Southern Oak policyholders and agents.

MacNeill has been in business since 1946 and is one of a handful of Florida Managing General Agencies that has earned the Certified Managing General Agent designation from the national association, the AAMGA. In September 2006, MacNeill was named MGA of the Year by the Professional Insurance Agents of Florida.

### **Who should the policyholder be referred to if they incur a loss?**

Contact Southern Oak Claims representatives at 877-900-2280.

### **When will my client receive their Southern Oak policy?**

Policyholders removed from Citizens receive their Southern Oak renewal offer 45-60 days prior to their normal renewal date. Until that renewal the premiums and coverage will remain exactly as they are now. You will continue to service the policy through the Citizens Service Center until expiration. However, if your client should have a claim, Southern Oak is responsible for handling the claim. Claims are to be reported by calling 1-877-900-2280

When the new policy is paid and takes effect, it will provide coverage under our policy forms and you will contact our toll free number for customer service at 877-900-3971 for any policy changes.

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