



THE TREASURER OF THE STATE OF FLORIDA
DEPARTMENT OF INSURANCE

TOM GALLAGHER

IN THE MATTER OF:

CASE NO.: 40786-01-CO

COMMERCE AND INDUSTRY INSURANCE COMPANY

2000 Property and Casualty Target Market
Conduct Examination

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between **COMMERCE AND INDUSTRY INSURANCE COMPANY**, hereinafter referred to as **COMMERCE AND INDUSTRY** and the **FLORIDA DEPARTMENT OF INSURANCE**, hereinafter referred to as the **DEPARTMENT**. Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the Treasurer and Insurance Commissioner, as head of the **FLORIDA DEPARTMENT OF INSURANCE**, hereby finds as follows:

1. The Treasurer and Insurance Commissioner, as head of the **DEPARTMENT**, has jurisdiction over the subject matter of, and parties to, this proceeding.

2. **COMMERCE AND INDUSTRY** is a foreign property and casualty insurer authorized to transact insurance business in Florida and is subject to the jurisdiction and regulation of the **DEPARTMENT** pursuant to the Florida Insurance Code.

3. The **DEPARTMENT** conducted a property and casualty target market conduct examination of **COMMERCE AND INDUSTRY** covering the period of June 2000 through October 2000, pursuant to Section 624.3161, Florida Statutes. As a result of such examination, the **DEPARTMENT** determined that **COMMERCE AND INDUSTRY** committed the following violations of the Florida Insurance Code or Florida Administrative Code as outlined in total in the Fine Worksheet provided with the Report of Examination Findings.

a. Pollution Liability

1. Section 627.062, F.S. - Failure to Follow Filed Rate, Rating Schedule or Rating Rule - 5% Credit
2. Section 627.062, F.S. - Failure to Follow Filed Rate, Rating Schedule or Rating Rule - Multi-Tank Credits

4. The **DEPARTMENT** and **COMMERCE AND INDUSTRY** expressly waive a hearing in this matter and the making of Findings of Fact and Conclusions of Law by the **DEPARTMENT** and all further and other proceedings herein to which the parties may be entitled by law. **COMMERCE AND INDUSTRY** hereby and knowingly and voluntarily waives the rights to challenge or to contest this Order, in any forum now available to it, including the right to any administrative proceeding, circuit or federal court action, or any appeal.

5. For each violation noted in Paragraph 3, which was not corrected during the examination and verification provided to the **DEPARTMENT**, **COMMERCE AND INDUSTRY** shall provide written documentation to the **DEPARTMENT** no later than June 1, 2001, detailing the corrective action taken in order to comply with

Florida Statutes for each of the remaining violations noted in Paragraph 3. All pending refunds shall be completed within 60 days of the execution of the Consent Order and documentation provided to the **DEPARTMENT**.

6. **COMMERCE AND INDUSTRY** agrees that upon the execution of this Consent Order it shall be subject to the following terms and conditions:

(a) **COMMERCE AND INDUSTRY** shall pay an administrative penalty of \$200 and administrative costs of \$50 on or before the 30th day after this Consent Order is executed.

(b) **COMMERCE AND INDUSTRY** shall henceforth comply with all of the provisions of the Florida Insurance Code and Florida Administrative Code, and will implement the recommendations contained in this report within 90 days after execution of Consent Order.

(c) **COMMERCE AND INDUSTRY** is hereby placed on notice of the requirements of the above referenced sections of law and agrees that any future violations of these sections by **COMMERCE AND INDUSTRY** may be deemed willful, subjecting **COMMERCE AND INDUSTRY** to appropriate penalties.

7. **COMMERCE AND INDUSTRY** agrees that the failure to adhere to one or more of the above terms and conditions of this Order shall constitute a violation of a lawful order of the **DEPARTMENT**, and shall subject **COMMERCE AND INDUSTRY** to such administrative action as the Treasurer and Insurance Commissioner may deem appropriate.

8. Except as noted above, each party to this action shall bear its own costs and attorney's fees.

9. **THEREFORE**, the agreement between **COMMERCE AND INDUSTRY INSURANCE COMPANY** and the **DEPARTMENT**, the terms and conditions of that are set forth above, is approved.

FURTHER, all terms and conditions above are hereby
ORDERED.

DONE AND ORDERED this ____ day of _____,
2001.

KEVIN MCCARTY
DEPUTY INSURANCE COMMISSIONER

By execution hereof **COMMERCE AND INDUSTRY INSURANCE COMPANY** consents to entry of this Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. I am authorized to execute this document.

COMMERCE AND INDUSTRY INSURANCE COMPANY

By: _____

Title: _____

Date: _____

COPIES FURNISHED TO:

MR. JOSEPH BOREN, PRESIDENT
Commerce and Industry Insurance Company
175 Water Street
New York, NY 10038

CHERYL C. JONES, AIE
Field Insurance Regional Administrator
Division of Insurer Services
Bureau of P&C Insurer Solvency and
Market Conduct Review
200 East Gaines Street, Suite 131B
Tallahassee, Florida 32399-0329

S. STROM MAXWELL, ESQUIRE
Department of Insurance
Division of Legal Services
200 East Gaines Street
612 Larson Building
Tallahassee, Florida 32399-0333

INVOICE

ADMINISTRATIVE PENALTY IMPOSED BY CONSENT ORDER

In order to ensure that your payment is received and properly credited, please make your check payable to the Florida Department of Insurance and return this invoice with your check to:

Department of Insurance and State Treasurer
Division of Legal Services
Revenue Processing Section
Post Office Box 6100
Tallahassee, FL 32399-6100

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REFERENCE

NAME: Mr. Joseph Boren, President
Commerce and Industry Insurance
Company
ADDRESS: 175 Water Street
CITY, STATE, ZIP: New York, New York 10038
FEID#: 13-1938623
CASE #: 40786-01-CO
ATTORNEY: S. Strom Maxwell
SOURCE: P&C Solvency

Fine Due: \$ 200.00
Cost Due: \$ 50.00
Total Amount Due: \$ 250.00

Amount remitted: \$ _____

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B/T /C F/T AMT (inserted by operator)
M 1106 J