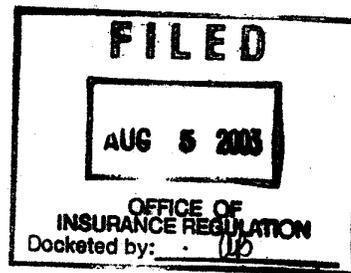




OFFICE OF INSURANCE REGULATION



KEVIN M. MCCARTY  
DIRECTOR

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IN THE MATTER OF:

**FCCI INSURANCE COMPANY**  
2001 Property and Casualty Market Conduct Examination  
\_\_\_\_\_ /

CASE # 67688-03-CO

**CONSENT ORDER**

THIS CAUSE came on for consideration as the result of an agreement between **FCCI INSURANCE COMPANY**, (hereinafter referred to as "FCCI ") and the **OFFICE OF INSURANCE REGULATION** of the **FINANCIAL SERVICES COMMISSION** within the **DEPARTMENT OF FINANCIAL SERVICES**, (hereinafter referred to as the "OFFICE"). The **OFFICE**, following a complete review of the entire record and upon consideration thereof and being otherwise fully advised in the premises, hereby finds as follows:

1. The **OFFICE** has jurisdiction over the subject matter of and parties to this proceeding.
2. **FCCI** is a domestic property and casualty insurer authorized to transact insurance business in Florida and is subject to the jurisdiction and regulation of the **OFFICE** pursuant to the Florida Insurance Code.
3. In 2001, the **OFFICE** conducted a property and casualty market conduct examination of **FCCI** pursuant to Section 624.3161, Florida Statutes and, as a result, it has been

determined that FCCI has violated the following provisions of the Florida Insurance Code, to wit:

Workers' Compensation

Section 627.191, F.S.-Failure to Follow Filed Rate, Rating Schedule, Rating Rule or Underwriting Guideline: Failure to Audit Timely.

Section 627.191, F.S.-Failure to Follow Filed Rate, Rating Schedule, Rating Rule or Underwriting Guideline: Incorrect Payroll Classification.

Section 627.191, F.S.-Failure to Follow Filed Rate, Rating Schedule, Rating Rule or Underwriting Guideline: Incorrect Premium Charges.

Cancellations

Section 627.191, F.S.-Failure to Follow Filed Rate, Rating Schedule, Rating Rule or Underwriting Guideline: Officer Premium.

Section 627.191, F.S.-Failure to Follow Filed Rate, Rating Schedule, Rating Rule or Underwriting Guideline: Payroll Classification.

Section 627.4091, F.S.-Failure to Provide Specific Research for Denial, Cancellation or Nonrenewal.

Section 627.191, F.S.-Failure to Follow Filed Rate, Rating Schedule, Rating Rule or Underwriting Guideline: Failure to Audit Policy and Return Premium Timely.

Section 627.191, F.S.-Failure to Follow Filed Rate, Rating Schedule, Rating Rule or Underwriting Guideline: Incorrect Premium.

Nonrenewals

Section 627.191, F.S.-Failure to Follow Filed Rate, Rating Schedule, Rating Rule or Underwriting Guideline: Failure to Audit Policy and Return Premium Timely.

Section 627.4091, F.S.-Failure to Provide Specific Research for Denial, Cancellation or Nonrenewal.

Section 627.4133, F.S.-Failure to Provide Timely Notice of Renewal or Cancellation.

Complaints

Section 627.191, F.S.-Failure to Follow Filed Rate, Rating Schedule, Rating Rule or Underwriting Guideline: Subcontractor Charge.

Section 627.191, F.S.-Failure to Follow Filed Rate, Rating Schedule, Rating Rule or Underwriting Guideline: Non-Employment Charges.

Section 627.191, F.S.-Failure to Follow Filed Rate, Rating Schedule, Rating Rule or Underwriting Guideline: Incorrect Payroll Classification.

Section 627.191, F.S.-Failure to Follow Filed Rate, Rating Schedule, Rating Rule or Underwriting Guideline: Incorrect Audit Adjustment.

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

5. **FCCI** agrees that upon the execution of this Consent Order it shall be subject to the following terms and conditions:

(a) **FCCI** shall pay a penalty of \$16,500 and administrative costs of \$2,000.00 on or before the 30th day after this Consent Order is executed.

(b) **FCCI** shall henceforth comply with all of the provisions of the Florida Insurance Code and the Florida Administrative Code.

(c) **FCCI** 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 **FCCI** may be deemed willful, subjecting **FCCI** to appropriate penalties.

6. FCCI 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 OFFICE, and shall be subject to such administrative action as the OFFICE may deem appropriate.

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

THEREFORE, the agreement between FCCI and the OFFICE, the terms and conditions of which are set forth above, is approved.

FURTHER, all terms and conditions above are hereby ORDERED.

DONE AND ORDERED this 5th day of August 2003.



\_\_\_\_\_  
KEVIN M. McCARTY  
Director

By execution hereof, FCCI 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. The undersigned represents that he or she has the authority to bind FCCI INSURANCE COMPANY to the terms and conditions of this Consent Order and has personal knowledge of the Application and the information provided therein.

FCCI INSURANCE COMPANY

Gordon William Jacobs

Corporate Seal

By: \_\_\_\_\_

Title: President & CEO

Date: 6/19/03

STATE OF Florida  
COUNTY OF Sarasota

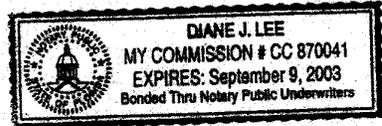
The foregoing instrument was acknowledged before me this 19 day of June, 2003,  
by \_\_\_\_\_ of FCCI Insurance Co., a Florida Corporation.  
(Name of Corporation Acknowledging) (State, or place of incorporation)

He/she is personally known to me or produced \_\_\_\_\_ as identification.

(NAME TYPED, PRINTED OR STAMPED)

TITLE: \_\_\_\_\_

SERIAL: \_\_\_\_\_



COPIES FURNISHED TO:

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