



00390

FILED

SEP 28 2004

**OFFICE OF
INSURANCE REGULATION**Docketed by: DP**OFFICE OF INSURANCE REGULATION**KEVIN M. McCARTY
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 77670-04-CO

PACIFIC EMPLOYERS INSURANCE COMPANY2004 Market Conduct Examination

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between **PACIFIC EMPLOYERS INSURANCE COMPANY**, (hereinafter referred to as "PACIFIC EMPLOYERS") and the **OFFICE OF INSURANCE REGULATION** (hereinafter referred to as the "OFFICE"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby alleges as follows:

1. The **OFFICE** has jurisdiction over the subject matter, and parties to this proceeding.
 2. **PACIFIC EMPLOYERS** is a foreign 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. The **OFFICE** in the year 2004 conducted a market conduct examination of **PACIFIC EMPLOYERS**, pursuant to Section 624.3161, Florida Statutes, and as a result, it is
-

alleged that **PACIFIC EMPLOYERS** has violated the following provisions of the Florida Insurance Code:

Workers' Compensation

Section 627.914, F.S.-Failure to Timely Report Unit Statistical Premium Data to the National Council on Compensation Insurance.

Section 627.914, F.S.-Failure to Timely Report Unit Statistical Claims Data to the National Council on Compensation Insurance.

Section 627.914, F.S.-Failure to Correctly Report Unit Statistical Claims Data to the National Council on Compensation Insurance.

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

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

(a) **PACIFIC EMPLOYERS** shall pay an administrative penalty of five thousand (\$5,000.00) dollars and administrative costs of one thousand (\$1,000.00) dollars.

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

(c) **PACIFIC EMPLOYERS** is hereby placed on notice of the requirements of the above referenced sections of law and agrees that any future violations

of these sections may be deemed willful, subjecting **PACIFIC EMPLOYERS** to appropriate penalties.

(d) **PACIFIC EMPLOYERS** shall submit a letter signed by a **PACIFIC EMPLOYERS** officer confirming that corrective action has been completed, within thirty (30) day of the execution of this Consent Order.

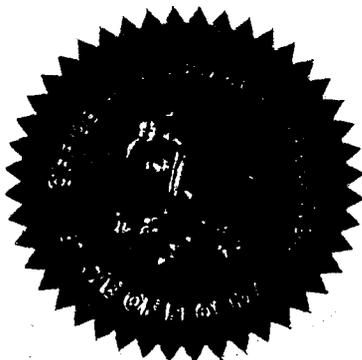
6. **PACIFIC EMPLOYERS** agrees that the failure to adhere to one or more of the above terms and conditions of this Consent Order shall constitute a violation of a lawful order of the **OFFICE**, and shall be subject to such administrative action as the **OFFICE** may deem appropriate.

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

8. **WHEREFORE**, the agreement between **PACIFIC EMPLOYERS** 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 28TH day of SEPTEMBER 2004.



Kevin M. McCarty
Commissioner
Office of Insurance Regulation

By execution hereof, **PACIFIC EMPLOYERS INSURANCE COMPANY** consents to entry of this Consent 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 **PACIFIC EMPLOYERS INSURANCE COMPANY** to the terms and conditions of this Consent Order and has personal knowledge of the 2004 Market Conduct Examination Report and the information provided therein.

PACIFIC EMPLOYERS INSURANCE COMPANY

Corporate Seal

X By: Richard C. Franklin

Title: Senior Vice President

Date: 9-8-2004

On _____ before me, RICHARD C. FRANKLIN, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the person or the entity upon whose behalf the person acted, executed the instrument.

Subscribed and sworn to before me this 8th day of September, 2004.

Signature Donna M. Johnson
(Signature of Notary Public)

[NOTARIAL SEAL]

My Commission Expires: 5/20/2007

