



THE TREASURER OF THE STATE OF FLORIDA
DEPARTMENT OF INSURANCE

FILED

APR 23 2002

Treasurer and
Insurance Commissioner
Decided by: OP

TOM GALLAGHER

IN THE MATTER OF:

CASE NO.: 42135-01-CO

SEMINOLE CASUALTY INSURANCE COMPANY

2000 Property and Casualty Market Conduct
Examination

RECEIVED

APR 25 2002

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between SEMINOLE CASUALTY INSURANCE COMPANY, hereinafter referred to as SEMINOLE CASUALTY 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 DEPARTMENT, hereby finds as follows:

1. The DEPARTMENT, has jurisdiction over the subject matter of, and parties to, this proceeding.
2. SEMINOLE CASUALTY is a domestic 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 market conduct examination of SEMINOLE CASUALTY covering the period of January 1997 through December 1999, pursuant to Section 624.3161, Florida Statutes. As a result of such examination, the DEPARTMENT determined that SEMINOLE CASUALTY 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. Agents/MGA

1. Section 626.733, F.S.-Failure to License/Appoint Agency Employees.

b. Cancellations/Nonrenewals

1. Section 627.848, F.S.-Failure to Comply with Premium Finance Cancellation Requirements.
2. Section 626.9541, F.S.-Failure to Comply with Unfair Trade Practice Requirements.
3. Section 627.728, F.S.-Failure to Provide Timely Notice of Renewal, Nonrenewal or Cancellation.
4. Rule 4-167.002, Failure to File Form DI4-493-Rescinded Policies.
5. Section 627.7283, F.S.-Failure to Comply with Return of Unearned Premium Requirements.

c. Claims

1. Section 626.877, F.S.-Failure to Properly Adjust Claim per Policy Requirements.
2. Section 626.9541, F.S.-Failure to Comply with Unfair Trade Practice Requirements.
3. Section 627.4137, F.S.-Failure to Disclose Information.
4. Rule 4-166.024, Failure to Communicate Timely.

4. The DEPARTMENT and SEMINOLE CASUALTY 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. SEMINOLE CASUALTY hereby 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. SEMINOLE CASUALTY agrees that upon the execution of this Consent Order it shall be subject to the following terms and conditions:

(a) SEMINOLE CASUALTY shall pay an administrative penalty of \$4,250 and administrative costs of \$1,000 on or before the 30th day after this Consent Order is executed.

(b) SEMINOLE CASUALTY shall henceforth comply with all of the provisions of the Florida Insurance Code Florida

Administrative Code, and implement policies and procedures that will preclude the recurrence of the violations contained in the examination report. These policies and procedures shall be made available to the **DEPARTMENT** for review upon request. Within 90 days after execution of this Consent Order, **SEMINOLE CASUALTY** shall both implement the recommendations contained in this report, and submit confirmation, in writing, to the **DEPARTMENT** that all directives contained in the report have been met, including all refunds made.

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

6. **SEMINOLE CASUALTY** 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 **SEMINOLE CASUALTY** to such administrative action as the **DEPARTMENT** may deem appropriate.

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

Administrative Code, and implement policies and procedures that will preclude the recurrence of the violations contained in the examination report. These policies and procedures shall be made available to the **DEPARTMENT** for review upon request. Within 90 days after execution of this Consent Order, **SEMINOLE CASUALTY** shall both implement the recommendations contained in this report, and submit confirmation, in writing, to the **DEPARTMENT** that all directives contained in the report have been met, including all refunds made.

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6. **SEMINOLE CASUALTY** 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 **SEMINOLE CASUALTY** to such administrative action as the **DEPARTMENT** may deem appropriate.

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

8. THEREFORE, the agreement between SEMINOLE CASUALTY 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 23RD day of APRIL,
2002.



Kevin McCarty
DEPUTY INSURANCE COMMISSIONER

By execution hereof SEMINOLE CASUALTY 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.

SEMINOLE CASUALTY INSURANCE COMPANY

By: Peter H. Bergman

Title: President

Date: 3/13/02

COPIES FURNISHED TO:

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