

FILED

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Docketed by: CP



OFFICE OF INSURANCE REGULATION

KEVIN M. MCCARTY
COMMISSIONER

IN THE MATTER OF:

**UNIVERSAL PROPERTY & CASUALTY
INSURANCE COMPANY**

Case No.: 90788-07

Market Conduct Examination

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between **UNIVERSAL PROPERTY & CASUALTY INSURANCE COMPANY** (hereinafter referred to as "**UNIVERSAL P&C**") 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 **COMMISSIONER OF THE OFFICE OF INSURANCE REGULATION**, hereby finds as follows:

1. The Commissioner of the Office of Insurance Regulation, as head of the **OFFICE**, has jurisdiction over the subject matter of, and parties to, this proceeding.
2. **UNIVERSAL P&C** 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. The **OFFICE** conducted a market conduct examination of **UNIVERSAL P&C**, pursuant to Section 624.3161, Florida Statutes, in 2005, and as a result determined that

(d) **UNIVERSAL P&C** shall establish a method or procedure to allow the **OFFICE** to identify and review any complaint received by **UNIVERSAL P&C** directly from consumers in order to ensure compliance with Section 626.9541(1)(j), Florida Statutes. Within 30 days, **UNIVERSAL P&C** shall provide the **OFFICE** with a detailed plan for complaint handling, which shall include information as to how it will maintain adequate records and documentation suitable to allow the **OFFICE** to identify and review any complaint received by **UNIVERSAL P&C**. Going forward, **UNIVERSAL P&C** will be prepared to identify for the **OFFICE** every instance where a complaint was made to **UNIVERSAL P&C** to enable the **OFFICE** to confirm the compliance by **UNIVERSAL P&C** with Section 626.9541(1)(j). Florida Statutes

(e) **UNIVERSAL P&C** shall establish a clearly defined system to provide proof of notice of cancellation. Within 30 days, **UNIVERSAL P&C** shall provide the **OFFICE** with a detailed plan for cancellation handling, which shall include information as to how it will maintain adequate records and documentation to demonstrate compliance with Rule 69O-167.010, Florida Administrative Code in each cancellation instance.

(f) **UNIVERSAL P&C** shall provide to the **OFFICE** certification by an officer of the Company that corrective actions outlined in the examination report have been completed. The certification is to be received within 30 days of the execution of the Consent Order.

UNIVERSAL P&C has violated the provisions of the Florida Insurance Code and/or Florida Administrative Code, as described in Exhibit A.

4. The **OFFICE** and **UNIVERSAL P&C** 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. **UNIVERSAL P&C** hereby knowingly and voluntarily waives all rights to challenge or to contest this Order, in any forum now available, including the right to any administrative proceeding, circuit or federal court action, or any appeal.

5. While **UNIVERSAL P&C** does not agree with all the **OFFICE'S** findings, in an effort to resolve this matter expeditiously and amicably, without necessity of a formal administrative hearing, ~~UNIVERSAL P&C knowingly and voluntarily enters into this Consent Order without admitting any liability in connection with such findings and agrees that upon the execution of this Consent Order it shall be subject to the following terms and conditions:~~

- (a) **UNIVERSAL P&C** shall pay a penalty of \$94,000 and administrative costs of \$5,000 on or before the 30th day after this Consent Order is executed.
- (b) **UNIVERSAL P&C** shall henceforth comply with all of the provisions of the Florida Insurance Code and the Florida Administrative Code.
- (c) **UNIVERSAL P&C** 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 **UNIVERSAL P&C** may be deemed willful, subjecting **UNIVERSAL P&C** to appropriate penalties.

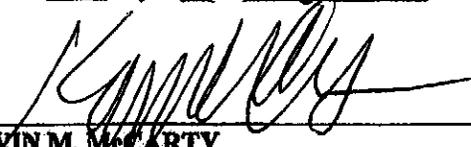
6. **UNIVERSAL P&C** agrees that the failure to adhere to one or more of the above terms and conditions of this Order shall constitute a violation of a lawful order of the **OFFICE**, and shall be subject to such administrative action as the Commissioner of the Office of Insurance Regulation may deem appropriate.

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

THEREFORE, the agreement between **UNIVERSAL P&C** 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 4 day of NOVEMBER 2009.



KEVIN M. McCARTY
Commissioner
Office of Insurance Regulation

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

**UNIVERSAL PROPERTY AND CASUALTY
INSURANCE COMPANY**

Corporate Seal

By: Sean P. Downes
Title: Chief Operating Officer
Date: October 29, 2009

STATE OF: FL

COUNTY OF: Broward

On ~~October 20, 2009~~ before me, Sean Downes, 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 20 day of October, 2009.

Signature [Signature]
(Signature of Notary Public)

[NOTARIAL SEAL]

My Commission Expires: November 1, 2010



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