

MAR 13 2020

INSURANCE REGULATIONDocketed by: **OFFICE OF INSURANCE REGULATION****DAVID ALTMAIER**
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 260443-20-CO

MOBILITAS INSURANCE COMPANY
Application to Become an Eligible Surplus Lines Insurer
_____ /CONSENT ORDER

THIS CAUSE came on for consideration upon the filing of an application by MOBILITAS INSURANCE COMPANY ("APPLICANT") with the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE") for eligibility as a surplus lines insurer, pursuant to Sections 626.915 and 626.918, Florida Statutes ("Application"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter and the parties herein.
2. APPLICANT has applied for and, subject to the present and continuing satisfaction of the requirements, terms, and conditions established herein, has satisfactorily met all of the conditions precedent to be an eligible surplus lines insurer in Florida, pursuant to the requirements set forth in the Florida Insurance Code.
3. APPLICANT is a licensed stock property and casualty insurer that is domiciled in the state of Arizona. The Application represents that APPLICANT is owned 100% by CSAA Insurance Exchange ("CSAA"), a California reciprocal insurer. As a reciprocal insurer, CSAA is owned by its subscribers and therefore has no issued stock or shareholders.

4. APPLICANT has made material representations that none of its officers and directors have been found guilty of, or have pleaded guilty or nolo contendere to, a felony or a misdemeanor, other than a civil traffic offense.

5. APPLICANT further represents that it has submitted complete background information on each of the individuals referenced in paragraph 4 above. If said information has not been provided to the OFFICE, or if the sources utilized by the OFFICE in its investigation process reveal that the representations made in paragraph 4 above are inaccurate, any such individual shall be removed as officer or director within 30 days of receipt of notification from the OFFICE and replaced with a person or persons acceptable to the OFFICE.

6. If, upon receipt of such notification from the OFFICE, pursuant to paragraph 5 above, APPLICANT does not timely take the required corrective action, APPLICANT agrees that such failure to act would constitute an immediate serious danger to the public, and the OFFICE may immediately withdraw APPLICANT's surplus lines eligibility in this state, or take other administrative action as the OFFICE deems appropriate without further proceedings, pursuant to Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

7. The OFFICE has relied upon the representations in the Plan of Operation and supporting documents that APPLICANT has submitted with its Application. Written approval must be secured from the OFFICE prior to any material deviation from said Plan of Operation.

8. Pursuant to Section 626.918(2)(c)1.a., Florida Statutes, APPLICANT must have and maintain surplus as to policyholders of not less than \$15,000,000 U.S. Dollars. Any such surplus as to policyholders shall be represented by investments consisting of eligible investments under Part II of Chapter 625, Florida Statutes. On the basis of this requirement, APPLICANT shall

comply with the requirements for admitted assets and investments contained in Part I and Part II of Chapter 625, Florida Statutes.

9. In order to allow the OFFICE to verify that APPLICANT is in compliance with the provisions of Section 626.918(2)(c)1.a., Florida Statutes, APPLICANT shall file all financial reports with the OFFICE, via the National Association of Insurance Commissioners' electronic filing system, as required of authorized insurers, pursuant to Section 624.424, Florida Statutes. Further, non-qualifying assets or investments in excess of the limitations shall be non-admitted by the OFFICE, and APPLICANT's surplus as to policyholders adjusted accordingly.

10. APPLICANT may write all lines of property and casualty insurance for which APPLICANT is eligible, excluding health, pursuant to the surplus lines provisions in Sections 626.913 through 626.937, Florida Statutes, all other applicable provisions of the Florida Insurance Code, and Rules relating to such lines of business as set forth in the Florida Administrative Code. APPLICANT shall exercise oversight to ensure that any coverage written in Florida is eligible for export, pursuant to Sections 626.916 and 626.917, Florida Statutes. APPLICANT shall not write any kind or kinds of insurance in this state for which it is not then currently authorized in its state of domicile.

11. Within 45 days of execution of this Consent Order, APPLICANT shall provide the OFFICE with confirmation that it has appointed Florida's Chief Financial Officer as its agent for service of process with the Florida Department of State, Division of Corporations, as required by Section 626.937, Florida Statutes.

12. APPLICANT affirms that all information, explanations, representations, statements, and documents provided to the OFFICE in connection with this Application, including all attachments and supplements thereto, are true and correct and fully describe all transactions,

agreements, ownership structures, understandings, and control with regard to the current and future operations of APPLICANT. APPLICANT further agrees and affirms that said information, explanations, representations, statements, and documents, including all attachments and supplements thereto, are material to the issuance of this Consent Order and have been relied upon by the OFFICE in its determination to enter into this Consent Order.

13. APPLICANT shall report to the OFFICE, Property and Casualty Financial Oversight, any time that APPLICANT is named as a party defendant in a class action lawsuit within 15 days after the class is certified. APPLICANT shall include a copy of the complaint at the time it reports the class action lawsuit to the OFFICE.

14. APPLICANT shall maintain an information security program for the security and protection of confidential and proprietary information under its control that complies with all applicable laws and regulations regarding information security. APPLICANT agrees that it shall continually monitor and enhance its information security program in order to mitigate data security breaches. APPLICANT further agrees that it shall notify the OFFICE within 5 business days of identifying a data breach.

15. Executive Order 13224 prohibits any transactions by U.S. persons involving the blocked assets and interests of terrorists and terrorist support organizations. APPLICANT shall maintain and adhere to procedures necessary to detect and prevent prohibited transactions with those individuals and entities, which have been identified at the Treasury Department's Office of Foreign Assets Control website, <http://www.treas.gov/ofac>.

16. Within 60 days from the date of the execution of this Consent Order, APPLICANT shall submit, or cause to be submitted, to the OFFICE a certification evidencing compliance with all of the requirements of this Consent Order. Any exceptions shall be so noted and contained in

the certification. Exceptions noted in the certification shall also include a timeline defining when the outstanding requirements of the Consent Order will be complete. Said certification shall be submitted to the OFFICE via electronic mail and directed to the attention of the Assistant General Counsel representing the OFFICE in this matter and as named in this Consent Order.

17. Any deadlines, reporting requirements, other provisions, or requirements set forth in this Consent Order may be altered or terminated by written approval of the OFFICE. Such written approval by the OFFICE is subject to statutory or administrative regulation limitations.

18. APPLICANT expressly waives a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which it may be entitled by law or rules of the OFFICE. APPLICANT hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order in any forum available to it, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

19. APPLICANT affirms that all requirements set forth herein are material to the issuance of this Consent Order.

20. APPLICANT agrees that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result in the OFFICE immediately withdrawing APPLICANT's surplus lines eligibility in this state, without further proceedings, or taking other administrative action as the OFFICE deems appropriate, pursuant to Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

21. Each party to this action shall bear its own costs and fees.

22. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the signature of the

authorized representative of APPLICANT, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, APPLICANT agrees that the signature of its authorized representative as affixed to this Consent Order shall be under the seal of a Notary Public.

WHEREFORE, the agreement between MOBILITAS INSURANCE COMPANY and the FLORIDA OFFICE OF INSURANCE REGULATION, the terms and conditions of which are set forth above, is APPROVED, and the Application of MOBILITAS INSURANCE COMPANY for eligibility as a surplus lines insurer in the state of Florida, pursuant to Sections 626.915 and 626.918, Florida Statutes, is APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 13 day of March, 2020.



David Altmaier
David Altmaier, Commissioner
Office of Insurance Regulation

By execution hereof, MOBILITAS 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 they have the authority to bind MOBILITAS INSURANCE COMPANY to the terms and conditions of this Consent Order.

MOBILITAS INSURANCE COMPANY

By: [Signature]

Print Name: Michael J. Zukerman

Title: Secretary

Date: March 10, 2020

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me by means of physical presence
or online notarization, this _____ day of _____ 2020, by _____
(name of person)
as _____ for _____
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known _____ OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires: _____

See attached CA notary certificate

COPIES FURNISHED TO:

THOMAS TROY, PRESIDENT/CHIEF FINANCIAL OFFICER

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ALISON STERETT, FINANCIAL ADMINISTRATOR

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ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

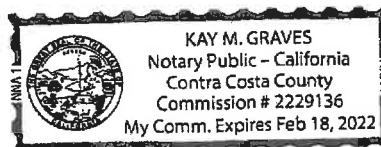
State of California
County of Contra Costa

On March 10, 2020 before me, Kay M. Graves, Notary Public
(insert name and title of the officer)

personally appeared Michael J. Zukerman
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Kay M. Graves (Seal)