

No. **2022-7136**

**Official Order
of the
Texas Commissioner of Insurance**

Date: 01/03/2022

Subject Considered:

Philadelphia Indemnity Insurance Company
3 Bala Plz, Ste 400E
Bala Cynwyd, PA 19004-3409

Consent Order
TDI Enforcement File No. 27343

General remarks and official action taken:

This is a consent order with Philadelphia Indemnity Insurance Company (Philadelphia Indemnity). Philadelphia Indemnity has issued commercial liability policies for six different purchasing groups since 2015 without first filing the policy forms and rates with the Texas Department of Insurance (TDI) prior to use. Philadelphia Indemnity agrees to pay a \$40,000 administrative penalty.

Waiver

Philadelphia Indemnity acknowledges that the Texas Insurance Code and other applicable law provide certain rights. Philadelphia Indemnity waives all of these rights, and any other applicable procedural rights, in consideration of the entry of this consent order.

Findings of Fact

1. Philadelphia Indemnity is a fire and casualty insurance company holding a certificate of authority to transact business in the state of Texas.

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2. Commissioner's Bulletin # B-0016-15 was issued on July 15, 2015, and provided new requirements for rate and form filings for authorized insurers providing coverage through a risk purchasing group (RPG) for policies effective on and after September 1, 2015.
3. Between September 1, 2015, and May 15, 2021, Philadelphia Indemnity issued policies in Texas to six different risk purchasing groups, but it did not file the rates or policy forms for the policies issued with TDI prior to issuing the policies.
4. Between March and May of 2021, Philadelphia Indemnity filed the policy forms and rates and self-reported to the department that it discovered it had sold policies using these forms and rates. The policy forms were later approved by the department.
5. TDI has received no complaints related to the use of the unapproved forms.

Conclusions of Law


1. The commissioner has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051–82.055, 84.021–84.044, and 801.051-801.053.
2. The commissioner has the authority to informally dispose of this matter as set forth in TEX. GOV'T CODE § 2001.056; TEX. INS. CODE §§ 36.104 and 82.055; and 28 TEX. ADMIN. CODE § 1.47.
3. Philadelphia Indemnity has knowingly and voluntarily waived all procedural rights to which it may have been entitled regarding the entry of this order, including, but not limited to, issuance and service of notice of intention to institute disciplinary action, notice of hearing, a public hearing, a proposal for decision, rehearing by the commissioner, and judicial review.
4. Philadelphia Indemnity violated TEX. INS. CODE § 2301.006 by failing to file and using unapproved forms.
5. Philadelphia Indemnity violated TEX. INS. CODE § 2251.101 by using rates not on file with the department.

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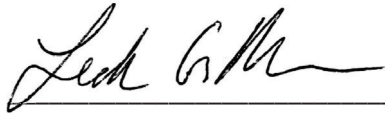
Order

It is ordered that Philadelphia Indemnity Insurance Company must pay an administrative penalty of \$40,000 within 30 days from the date of this order. The administrative penalty must be paid as instructed in the invoice, which the department will send after entry of this order.


DocuSigned by:

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Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Enforcement Division



Sydney Moore, Staff Attorney
Enforcement Division

Affidavit

STATE OF Pennsylvania §
§

COUNTY OF Montgomery §

Before me, the undersigned authority, personally appeared John Doyle
who being by me duly sworn, deposed as follows:

"My name is John Doyle. I am of sound mind, capable of making this statement, and have personal knowledge of these facts which are true and correct.

I hold the office of Chief Underwriting Officer and am the authorized representative of Philadelphia Indemnity Insurance Company. I am duly authorized by said organization to execute this statement.

Philadelphia Indemnity Insurance Company has knowingly and voluntarily entered into the foregoing consent order and agrees with and consents to the issuance and service of the same by the commissioner of insurance of the state of Texas."

John Doyle
Affiant

SWORN TO AND SUBSCRIBED before me on 12/14, 2021.

(NOTARY SEAL)

Commonwealth of Pennsylvania - Notary Seal
Vanessa Mckenzie, Notary Public
Montgomery County
My commission expires November 3, 2024
Commission number 1366394
Member, Pennsylvania Association of Notaries

Vanessa Mckenzie
Signature of Notary Public

Vanessa Mckenzie
Printed Name of Notary Public