

No. 2018- 5336

**OFFICIAL ORDER
of the
TEXAS COMMISSIONER OF INSURANCE**

Date: JAN 0 3 2018

Subject Considered:

PERMANENT GENERAL ASSURANCE CORPORATION
P.O. Box 305054
Nashville, Tennessee 37230

CONSENT ORDER
TDI ENFORCEMENT FILE NO. 13213

General remarks and official action taken:

This order is in consideration of whether disciplinary action should be taken against Permanent General Assurance Corporation.

WAIVER

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

Pursuant to TEX. INS. CODE § 82.055(b) Permanent General agrees to this consent order with the express reservation that it does not admit to a violation of this code or of a rule; and the existence of a violation is in dispute.

FINDINGS OF FACT

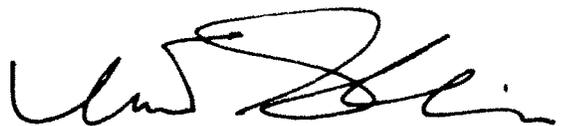
1. Permanent General is a foreign insurer domiciled in the state of Ohio and has been licensed by Texas Department of Insurance since June 22, 1982.
2. TDI conducted an examination of Permanent General for the period of January 1, 2015, through December 31, 2015. The examination focused on a review of sales, advertising and marketing, underwriting and rating, claims practices, and consumer complaints of Permanent General.
3. The purpose of the examination was to verify compliance with the Texas Insurance Code, Chapter 28 of the Texas Administrative Code, and the Texas Automobile Rules and Rating Manual.
4. The findings of the examination are set out in the Examination report dated January 12, 2017, which cited Permanent General for violations of the Texas Insurance Code and the Texas Administrative Code.

5. TDI's examination found 13 instances where Permanent General did not receive the written rejections for the Uninsured or Underinsured Motorist coverage and Personal Injury Protection.
6. TDI found 66 instances where Permanent General failed to notify the insured of the settlement in writing not later than the 30th day after the date a claim against a named insured under a casualty insurance policy issued to the insured was settled.
7. TDI found 21 instances where Permanent General failed to send claimants the required Notice of Rights Regarding Repair of Motor Vehicle.
8. TDI found 12 instances where Permanent General failed to send claimants the required Notice of Rights Regarding Repair of Motor Vehicle in both English and Spanish.
9. On March 2, 2017, Permanent General entered into a Stipulation and Consent Order with the Connecticut Insurance Department. The Connecticut Stipulation and Consent Order assessed a \$19,500 penalty against Permanent General for individuals and agents acting as agents of Permanent General without the required appointment, entity producers using DBA without the required registration, failing to report total losses to the National Insurance Crime Bureau, and failing to undertake to pay claims for loss of use and bodily injury liability claims being settled within 15 days of loss.

CONCLUSIONS OF LAW

1. The commissioner has jurisdiction over this matter pursuant to TEX. INS. CODE chs. 751.861, and 862; TEX. INS. CODE §§ 38.001, 82.051-82.055 and 84.021-84.051; and TEX. GOV'T CODE §§ 2001.051-2001.178.
2. The commissioner has the authority to dispose of this matter informally, as set out in TEX. GOV'T CODE § 2001.056, TEX. INS. CODE §§ 36.104 and 82.055, and 28 TEX. ADMIN. CODE § 1.47.
3. Permanent General violated TEX. INS. CODE §§ 542.153(b), 1952.101(c), 1952.152(b), and 1952.305; and 28 TEX. ADMIN. CODE § 5.501(h).

It is ordered that Permanent General Assurance Corporation pay an administrative penalty of \$70,000 within 30 days from the date of this order. Permanent General Assurance Corporation must pay the administrative penalty by cashier's check or money order payable to the State of Texas. Permanent General Assurance Corporation must mail the payment to the Texas Department of Insurance, Attn: Enforcement Section, Division 60851, MC 9999, P.O. Box 149104, Austin, Texas 78714-9104.



Kent C. Sullivan
Commissioner of Insurance

2018- 5336

COMMISSIONER'S ORDER

Permanent General Assurance Corporation

Page 3 of 4

APPROVED AS TO FORM AND CONTENT



Sarah White

Staff Attorney, Enforcement Section

Texas Department of Insurance

AFFIDAVIT

STATE OF Tennessee §

COUNTY OF Davidson §

BEFORE ME, the undersigned authority, personally appeared the affiant, who being by me duly sworn, deposed as follows:

1. "My name is Robert E. Nelson. I am of sound mind, capable of making this statement, and personally acquainted with the facts stated herein.
2. I hold the office of Controller, Asst. Treasurer, & Asst. Secretary. I am the authorized representative of Permanent General Assurance Corporation and am duly authorized to execute this affidavit.
3. Permanent General Assurance Corporation waives rights provided by the Texas Insurance Code and other applicable law and acknowledges the jurisdiction of the commissioner of insurance of the state of Texas.
4. Permanent General Assurance Corporation has knowingly and voluntarily entered into the foregoing consent order and agrees with and consents to the issuance and service of the foregoing consent order by the commissioner of insurance of the state of Texas."

Robert E. Nelson
Affiant

SWORN TO AND SUBSCRIBED before me on this 18th day of October, 2017.

Paul Perce
Signature of Notary Public

(NOTARY STAMP)

