

No. **4446**

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

Date: MAY 09 2016

Subject Considered:

NATIONAL E&S INSURANCE BROKERS, INC.
41235 11th Street West, Ste. A
Palmdale, CA 93551

CONSENT ORDER
TDI ENFORCEMENT FILE NO. 10811

General remarks and official action taken:

The commissioner of insurance considers disciplinary action against National E&S Insurance Brokers, Inc. for failure to timely file new or renewal surplus lines insurance policies with the Surplus Lines Stamping Office of Texas.

Findings of Fact

1. National E&S Insurance Brokers, Inc., firm identification number 45858, holds a surplus lines license issued by the Texas Department of Insurance.
2. Pursuant to TEX. INS. CODE § 981.105(a), a surplus lines insurance agent must file with the Surplus Lines Stamping Office of Texas either:
 - a. a copy of the policy issued, or
 - b. if the policy has not yet been issued, a copy of the certificate, cover note, or other confirmation of insurance delivered to the insured.

This information is due not later than the 60th day after the later of the effective date or the issue date of new or renewal surplus lines insurance.

3. In 2014, National E&S Insurance Brokers, Inc. filed surplus lines policies late.

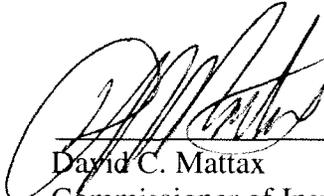
Conclusions of Law

1. The commissioner of insurance has jurisdiction over this matter pursuant to TEX. INS. CODE § 981.105.

2. The commissioner of insurance has authority to informally dispose of this matter under TEX. INS. CODE § 82.055, TEX. GOV'T CODE § 2001.056, and 28 TEX. ADMIN. CODE § 1.47.
3. National E&S Insurance Brokers, Inc. 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. National E&S Insurance Brokers, Inc. violated TEX. INS. CODE § 981.105(a) by failing to timely file new or renewal surplus lines policies and related documents.

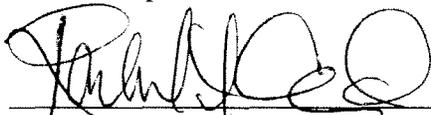
The commissioner orders National E&S Insurance Brokers, Inc. to pay an administrative penalty of \$20,500. The administrative penalty must be paid within 60 days from the date of this order. The administrative penalty must be paid by cashier's check or money order made payable to the "State of Texas." Mail the administrative penalty to the Texas Department of Insurance, Attn: Enforcement Section, Division 40111, MC 9999, P.O. Box 149104, Austin, Texas 78714-9104.

The commissioner further orders National E&S Insurance Brokers, Inc. to implement internal policies, procedures, and other safeguards designed to ensure future surplus lines policies and related documents are timely filed in compliance with TEX. INS. CODE § 981.105(a).



David C. Mattax
Commissioner of Insurance

For the Department:



Rachel A. Cloyd, Staff Attorney

