

No. 2017- 5301

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

Date: DEC 07 2017

Subject Considered:

REGIONS INSURANCE, INC.
PO Box 3198
Little Rock, AR 72203

CONSENT ORDER
TDI ENFORCEMENT FILE NO. 14092

General remarks and official action taken:

This order is in consideration of whether disciplinary action should be taken against Regions Insurance, Inc. for failure to timely file new or renewal surplus lines insurance policies with the Surplus Lines Stamping Office of Texas.

WAIVER

Regions Insurance, Inc. acknowledges that the Texas Insurance Code and other applicable law provide certain rights. Regions Insurance, Inc. 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), Regions Insurance, Inc. agrees to this consent order with the express reservation that it does not admit to a violation of the code or of a rule and that the existence of a violation is in dispute.

FINDINGS OF FACT

1. Regions Insurance, Inc., organization identification number 15854, 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 2016, Regions Insurance, Inc. realized it had failed to file surplus lines policies timely in previous years and performed a self-audit to identify all such policies. Regions Insurance, Inc. then filed all identified overdue surplus lines policies and implemented procedures to ensure compliance.
- 4. The commissioner previously disciplined Regions Insurance, Inc. for violating TEX. INS. CODE § 981.105(a) in Official Order No. 4566, entered on July 8, 2016, relating to late filed policies for calendar years 2014 and 2015.

CONCLUSIONS OF LAW

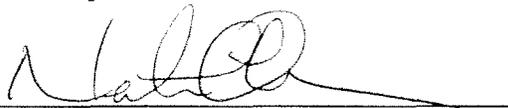
- 1. The commissioner of insurance has jurisdiction over this matter pursuant to TEX. INS. CODE § 981.105.
- 2. The commissioner of insurance has authority to informally dispose of this matter under TEX. INS. CODE § 82.055, TEX. GOV'T CODE § 2001.056, and 28 TEX. ADMIN. CODE § 1.47.
- 3. Regions Insurance,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

Regions Insurance, Inc. is ordered to pay an administrative penalty of \$14,250. The administrative penalty must be paid within 30 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 60851, MC 9999, P.O. Box 149104, Austin, Texas 78714-9104.



Kent C. Sullivan
Commissioner of Insurance

For the Department:



Natalie Olvera, Staff Attorney

