

No. 2018- 5340

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

Date: JAN 10 2018

Subject Considered:

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
Two Pierce Place, 18th Floor
Itasca, Illinois 60143-1203

CONSENT ORDER
TDI ENFORCEMENT FILE NO. 14835

General remarks and official action taken:

The commissioner of insurance considers whether disciplinary action should be taken against Arthur J. Gallagher Risk Management Services, Inc. for failure to timely file new or renewal surplus lines insurance policies with the Surplus Lines Stamping Office of Texas.

WAIVER

Arthur J. Gallagher Risk Management Services, Inc. acknowledges that the Texas Insurance Code and other applicable law provide certain rights. Arthur J. Gallagher Risk Management Services, Inc. waives all of these rights, and any other applicable procedural rights, in consideration of the entry of this consent order.

FINDINGS OF FACT

1. Arthur J. Gallagher Risk Management Services, Inc., organization identification number 20339, 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, Arthur J. Gallagher Risk Management Services, Inc. filed surplus lines policies late.

4. The commissioner previously disciplined Arthur J. Gallagher Risk Management Services, Inc. for violating TEX. INS. CODE § 981.105(a) in Official Order No. 12-0114, entered on February 6, 2012, and in Official Order No. 2016-4707, entered on October 7, 2016.

CONCLUSIONS OF LAW

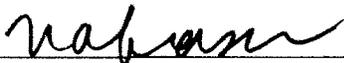
1. The commissioner of insurance has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051-82.055, 84.021-84.044, and 981.105.
2. The commissioner of insurance has authority to informally dispose of this matter under TEX. INS. CODE § 82.055, TEX. GOV'T CODE § 2001.056, and 28 TEX. ADMIN. CODE § 1.47.
3. Arthur J. Gallagher Risk Management Services, 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. Arthur J. Gallagher Risk Management Services, 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 Arthur J. Gallagher Risk Management Services, Inc. to pay an administrative penalty of \$4,200. 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:



Whitney Fraser, Staff Attorney

