Before the State of South Carolina
Department of Insurance

In the matter of:	)	Consent Order Imposing
	)	Administrative Fine
Celtic Life Insurance Company	)	
	)	File Number: 100607
233 South Wacker Drive, Suite 700	)	
Chicago, Illinois 60606-6393.	)	
	)	

This matter comes before me pursuant to an agreement entered into between the State of South Carolina Department of Insurance and Celtic Life Insurance Company, an insurer authorized to transact the business of insurance in the State of South Carolina (the Company).

The Company hereby acknowledges, and I find as fact, that it failed to timely submit its Quarterly Tax Return Installment, which was due to be received by the Department no later than December 1, 1999. This conduct is a direct violation of S.C. Code Ann. § 38-7-60 (3) (Supp. 1999) that can ultimately lead to the revocation or suspension of an insurer's certificate of authority to transact the business of insurance in South Carolina. Section 38-7-60 (3) reads, in pertinent part, as follows:

> The premium and other taxes imposed on insurers pursuant to Sections 38-7-20, 38-7-30, 38-7-40, 38-7-50, and 38-7-90 must be paid to the director or his designee in quarterly installments on or before March first, June first, September first, and December first of each calendar year. [See also South Carolina Department of Insurance Instructions for Property & Casualty (or - if applicable - Life, Accident and Health) Quarterly Taxes.]

Prior to the initiation of any administrative proceedings by the Department against the Company, the parties agreed to submit the entire matter to me, along with their specific recommendations, for my summary decision based solely upon the record. The consensual recommendation was that the Company would waive its right to a public hearing and immediately pay an administrative fine in the total amount of $1,000.

Section 38-5-120 (Supp. 1999) states, in pertinent part, that the Director of Insurance "shall revoke or suspend certificates of authority granted to an insurer . . . if he is of the opinion upon examination or other evidence that . . . (t)he insurer has not complied with the law or with the provisions of its charter." Alternatively, Section 38-5-130 provides that in lieu of license revocation or suspension, the Director may impose a monetary penalty as provided in Section 38-2-10.

_____Celtic Life Insurance Company

After a thorough review of the record, carefully considering the recommendation of the parties, and in accordance with my findings of fact, I now conclude, as a matter of law, that the Company has violated S.C. Code Ann. § 38-7-60 (3) (Supp. 1999). Although I can now revoke the Company's certificate of authority, I hereby invoke the discretionary authority given to me and impose against the Company an administrative fine in the total amount of $1,000. That fine must be paid within ten days of the date of my signature upon this Consent Order. If that total fine amount is not timely paid, the Company's certificate of authority will be revoked without any further disciplinary proceedings.

By its authorized signature upon this Consent Order, the Company acknowledges that this administrative order is a public record subject to the disclosure requirements of the State of South Carolina's *Freedom of Information Act*, S.C. Code Ann. §§ 30-4-10 *et seq*. (1991 and Supp. 1999). Nothing contained within this administrative disciplinary order should be construed to limit or to deprive any person of any private right of action under the law. Nothing contained within this administrative disciplinary order should be construed to limit, in any manner, the criminal jurisdiction of any law enforcement or judicial officer. Nothing contained within this administrative disciplinary order should be construed to limit the statutory duty, pursuant to S.C. Code Ann. § 38-3-110(4) (Supp. 1999), of the Director of Insurance, exercised either directly or through the Department of Insurance, to "report to the Attorney General or other appropriate law enforcement officials criminal violations of the law relative to the business of insurance or the provisions of this title which he considers necessary to report".

It is therefore ordered that Celtic Life Insurance Company shall, within ten days of the date of my signature on this Consent Order, pay through the South Carolina Department of Insurance, an administrative fine in the total amount of $1,000.

It is further ordered that a copy of this Consent Order shall be transmitted to the National Association of Insurance Commissioners for distribution to its current member states.

This Consent Order becomes effective as of the date of my signature below.

Ernst N. Csiszar
Director

Feb 17, 2000
Columbia, South Carolina

Celtic Life Insurance Company

I CONSENT:

_____

(Name)_____

(Title)_____

Celtic Life Insurance Company
233 South Wacker Drive, Suite 700
Chicago, Illinois 60606-6393

Dated this 8 day of February, 2000