Before the State of South Carolina
Department of Insurance

In the Matter of: SCDOI File Number 12-3719

Allied P&C Insurance Company  
3300 SW Williston Road  
Gainesville, FL 32608

CONSENT ORDER
Imposing Administrative Fine
Company Code Number 165963

This matter comes before me pursuant to an agreement entered into between the State of South Carolina Department of Insurance (Department) and Allied Property & Casualty Insurance Company, a company licensed to transact business in the State of South Carolina.

After careful review of the evidence presented, I find as follows:

FINDINGS OF FACT

1. Allied Property & Casualty Insurance Company is a foreign insurance company currently issued South Carolina company code number 165963.

2. Allied Property & Casualty Insurance Company accepted business from a South Carolina producer during the period that the producer’s license was lapsed.

3. Information provided by Allied Property & Casualty Insurance Company indicated that they accepted business related to three (3) policies during the period that the producer was unlicensed.

CONCLUSIONS OF LAW

1. S.C. Code Section 38-43-60 (A) provides:

All business done in this State by insurers doing the business of insurance as defined in this title must be transacted by their regularly authorized producers licensed in this State or through applications of the producers.
2. S.C. Code Section 38-2-10 (1) provides:

If the violator is an insurer or a health maintenance organization licensed in this State, the director or his designee shall (a) fine the violator in an amount not to exceed fifteen thousand dollars, or (b) suspend or revoke the violator's authority to do business in this State, or both. If the violation is wilful, the director or his designee shall (a) fine the violator in an amount not to exceed thirty thousand dollars, or (b) suspend or revoke the violator's authority to do business in this State, or both.

3. Allied Property & Casualty Insurance Company violated the laws of this state and was in violation of Section 38-43-60 and 38-2-10 when they continued to accept insurance business from a producer whose license had lapsed.

Prior to the initiation of any administrative proceedings by the Department against Allied Property & Casualty Insurance Company the parties agreed to submit the entire matter to me, along with their specific recommendation, for my summary decision, rather than to proceed toward a formal public hearing. The consensual recommendation was that, in lieu of the Department seeking to revoke their authority, Allied Property & Casualty Insurance Company waives their right to a public hearing and pay an administrative fine in the total amount of three hundred dollars ($300.00). The administrative fine will be paid within thirty (30) days of receipt of this order.

Although I can now revoke their company license, I hereby invoke the discretionary authority given to me and impose an administrative fine against Allied Property & Casualty Insurance Company in the total amount of three hundred dollars ($300.00). That fine must be paid as prescribed in the preceding paragraph. If that total fine amount is not timely paid, the company license will be revoked without any further disciplinary proceedings.

This fine has been reached by the parties as a result of a discussion and compromise, with the expectation that Allied Property & Casualty Insurance Company will comply with all statutes and regulations of this Department. This fine includes all expenses related to investigation of this matter as provided in § 38-13-70 of the South Carolina Code. The parties expressly agree and understand payment of the agreed upon fine constitutes full accord and satisfaction of this matter. By the signature of Thomas Clark, Regional Vice President or his designee upon this consent order, he acknowledges this administrative order as 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. 2000).

Nothing contained within this administrative 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 order should be construed to limit, in any manner, the criminal jurisdiction of any law enforcement officer or judicial officer. Nothing contained within this administrative order should be construed to limit the statutory duty, 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 laws relative to the business of insurance or the provisions of this title which he considers necessary to report.” S.C. Code Ann. § 38-3-110 (Supp. 2004).

THEREFORE, it is ordered that Allied Property & Casualty Insurance Company shall, pay through the South Carolina Department of Insurance an administrative fine in the total amount of three hundred dollars ($300.00).

It is FURTHER ORDERED that the National Association of Insurance Commissioners be immediately be notified of this consent order.

This consent order becomes effective as of the date of my signature below.

Raymond G. Farmer
Interim Director of Insurance

Dated this 4th day of January 2013
Columbia, South Carolina

I CONSENT TO THIS ORDER AND WILL COMPLY AS AGREED:

Signature

Thomas Clark
Printed Name

Regional Vice President
Title

Thomas Clark, Regional Vice President
Allied Property & Casualty Insurance Company
3300 SW Williston Road
Gainesville, FL 32608

Dated this 4th day of January 2013.