

**Before the State of South Carolina
Department of Insurance**

In the Matter of:

SCDOI File Number 11-3063

**Bristol West Insurance Company)
Rockside Center III)
5990 West Creek Road)
Independence, OH 44131**

**CONSENT ORDER
Imposing Administrative Fine
Company Code Number 100703**

This matter comes before me pursuant to an agreement entered into between the State of South Carolina Department of Insurance (SCDOI) and the above named foreign insurer.

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

FINDINGS OF FACT

1. Bristol West Insurance Company is a foreign insurance company issued SCDOI company code number 100703.
2. Lawton A. Brown's resident producer license was revoked by the SCDOI on June 11, 2010.
3. The SCDOI notified insurers of the online biennial appointment renewal process by letter dated July 28, 2010. This communication provided producer compliance information and it notified insurers that the renewal process would be concluded September 30, 2010.
4. Bristol West Insurance Company continued to accept applications from former producer Brown and or his agency after October 1, 2010 until February 14, 2011.

CONCLUSIONS OF LAW

1. **S.C. Code Ann. § SECTION 38-43-60 (A)**, which states; (A) 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:

(1) 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 willful, 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. Bristol West Insurance Company violated the laws of this State and was in violation of Section 38-43-60 when it accepted insurance policies from a producer whose license was revoked.

Prior to the initiation of any administrative proceedings by the Department against Bristol West 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, Bristol West Insurance Company would waive their right to a public hearing and pay an administrative fine in the total amount of seven thousand five hundred dollars (\$7500.00). **The administrative fine will be paid within thirty (30) days of receipt of this order.**

Although I can now revoke the producer license, I hereby invoke the discretionary authority given to me and impose an administrative fine against Bristol West Insurance Company in the total amount of seven thousand five hundred dollars (\$7500.00). That fine must be paid as prescribed in the preceding paragraph. If that total fine amount is not timely paid, the certificates of authority will be revoked without any further disciplinary proceedings.

This fine is subject to the expectation that Bristol West 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 the president of Bristol West Insurance Company or his designee upon this consent order, Bristol West Insurance Company 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

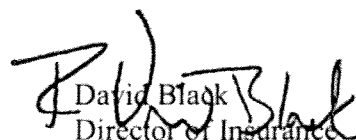
violations of the laws relative to the business of insurance or the provisions of this title which he considers necessary to report." S.C. Code Ann. § 38-3-110 (Supp. 2004).

THEREFORE, it is ordered that Bristol West Insurance Company shall, pay through the South Carolina Department of Insurance an administrative fine in the total amount of seven thousand five hundred dollars (\$7500.00).


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.

Dated this 14th day of December 2011
Columbia, South Carolina


David Black
Director of Insurance

BRISTOL WEST INSURANCE COMPANY CONSENTS TO THIS ORDER AND WILL COMPLY AS AGREED:


Signature

Lynn McDaniel
Printed Name

Manager
Title

Bristol West Insurance Company
Rockside Center III
5990 West Creek Road
Independence, OH 44131

Dated this 11 day of January 2012