

No. **2024-8457**

**Official Order
of the
Texas Commissioner of Insurance**

Date: 1/2/2024

Subject Considered:

T.H.E. Insurance Company
677 Washington Boulevard
10th Floor Suite 1000
Stamford, CT 06901

Consent Order
TDI Enforcement File No. 31699

General remarks and official action taken:

This is a consent order with T.H.E. Insurance Company (THE). THE failed to timely file complete statistical reports as required for two years. THE has agreed to an administrative penalty of \$10,000 for these violations.

Waiver

THE acknowledges that the Texas Insurance Code and other applicable law provide certain rights. THE waives all of these rights, and any other applicable procedural rights, in consideration of the entry of this consent order.

Findings of Fact

1. THE, company identification number 8119, holds a fire and casualty license originally issued September 25, 1995.
2. In October 2020, THE notified the Texas Department of Insurance (TDI) that it was moving certain parts of its business, including elements needed to make required statistical reports, to a new system.

2024-8457

Commissioner's Order
T.H.E. Insurance Company
Page 2 of 4

3. TDI granted THE permission to use special risk reporting on its boiler and machinery business for statistical reporting purposes until June 30, 2021, to assist with the system transfer.
4. TDI requested that if THE anticipated missing any future filing deadlines, it needed to request permission in advance to continue using special risk reporting for additional amounts of time.
5. THE missed the deadline for moving to complete statistical reporting and failed to request an advance extension by June 30, 2021. THE provided TDI with revised estimates of the time it would take to comply with the statistical reporting requirements, but only filed special risk statistical data for those years.
6. THE represents that it was acquired by a new entity in early 2023, and another new system integration resulted in THE having to manually review information on the boiler and machinery data.
7. THE made timely filings for the third quarter of this year on October 16, 2023.
8. THE represents that since 2020, its annual written premium on the boiler and machinery business has fluctuated between \$17,500 and \$25,000.
9. THE further represents that its boiler and machinery business will be in run-off as of January 2024, but that it will timely make all required filings until the business is completely done.

Conclusions of Law

1. The commissioner has jurisdiction over this matter under TEX. INS. CODE §§ 38.201-38.207, 82.051-82.055, 84.021-84.044, 801.051-801.053; and 28 TEX. ADMIN. CODE § 5.9501.
2. The commissioner has the authority to informally dispose of this matter as set forth in TEX. GOV'T CODE § 2001.056; TEX. INS. CODE §§ 36.104 and 82.055; and 28 TEX. ADMIN. CODE § 1.47.
3. THE 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,

2024-8457

Commissioner's Order
T.H.E. Insurance Company
Page 3 of 4

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. THE violated TEX. INS. CODE § 38.205 and 28 TEX. ADMIN. CODE § 5.9501 by failing to provide complete statistical reports as required.

Order

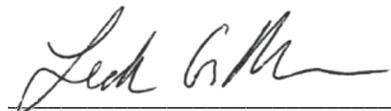
It is ordered that T.H.E. Insurance Company pay an administrative penalty of \$10,000 within 30 days from the date of this order. The administrative penalty must be paid as instructed in the invoice, which TDI will send after entry of this order.

DocuSigned by:

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Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Fraud and Enforcement Division



Whitney Fraser, Director
Enforcement

2024-8457

Commissioner's Order
T.H.E. Insurance Company
Page 4 of 4

Affidavit

STATE OF Pennsylvania §

§

COUNTY OF Chester §

Before me, the undersigned authority, personally appeared Sarah B. Mims,
who being by me duly sworn, deposed as follows:

"My name is Sarah B. Mims. I am of sound mind, capable of making
this statement, and have personal knowledge of these facts which are true and correct.

I hold the office of Senior Vice President & General Counsel and am the authorized representative of
T.H.E. Insurance Company. I am duly authorized by said organization to execute this
statement.

T.H.E. Insurance Company has knowingly and voluntarily entered into the foregoing
consent order and agrees with and consents to the issuance and service of the same by
the commissioner of insurance of the state of Texas."

Sarah B. Mims

Sarah Mims



12/15/2023 12:26 PM EST

Affiant

SWORN TO AND SUBSCRIBED before me on December 15th, 2023.

(NOTARY SEAL)

Michele Bunting



12/15/2023 12:28 PM EST

Signature of Notary Public

Michele Bunting

Printed Name of Notary Public

Commonwealth of Pennsylvania Notary Seal
Michele Bunting - Notary Public
Chester County
My Commission Expires June 6, 2027
Commission Number 1352444

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