

No. 2016 - 4694

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

Date: OCT 07 2016

**Subject Considered:**

COTTINGHAM & BUTLER INSURANCE SERVICES, INC.  
800 Main Street  
Dubuque, Iowa 52001

**CONSENT ORDER**  
TDI ENFORCEMENT FILE NO. 11668

**General remarks and official action taken:**

The commissioner of insurance considers disciplinary action against Cottingham & Butler Insurance Services, Inc. for failure to timely file new or renewal surplus lines insurance policies with the Surplus Lines Stamping Office of Texas.

**Waiver**

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

**Findings of Fact**

1. Cottingham & Butler Insurance, organization identification number 34365, 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 60<sup>th</sup> day after the later of the effective date or the issue date of new or renewal surplus lines insurance.

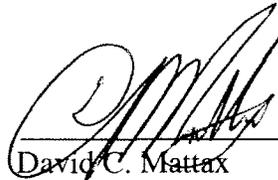
3. In 2015, Cottingham & Butler Insurance filed surplus lines policies late.

## Conclusions of Law

1. The commissioner of insurance has jurisdiction over this matter pursuant to TEX. INS. CODE § 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. Cottingham & Butler Insurance 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. Cottingham & Butler Insurance violated TEX. INS. CODE § 981.105(a) by failing to timely file new or renewal surplus lines policies and related documents.

The commissioner orders Cottingham & Butler Insurance Services, Inc. to pay an administrative penalty of \$5,500. 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 40111, MC 9999, P.O. Box 149104, Austin, Texas 78714-9104.

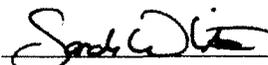
The commissioner further orders Cottingham & Butler Insurance Services, Inc. to implement internal policies, procedures, and other safeguards designed to ensure future surplus lines policies and related documents are timely filed in compliance with TEX. INS. CODE § 981.105(a).



David C. Mattax

Commissioner of Insurance

For the Department:



Sarah White, Staff Attorney

