

No. **2024-8940**

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

Date: 11/04/2024

Subjects Considered:

Germania Insurance Company
Germania Select Insurance Company
Germania Fire & Casualty Company
Germania Property & Casualty Insurance Company
PO Box 645
Brenham, Texas 77834-0645

Consent Order
TDI Enforcement File Nos. 32669, 32670, 32671, and 32672

General remarks and official action taken:

This is a consent order with Germania Insurance Company, Germania Select Insurance Company, Germania Fire & Casualty Company, and Germania Property & Casualty Insurance Company (collectively, "Germania Companies"). The Germania Companies failed to timely file a restriction plan for approval by the commissioner and Germania Insurance Company failed to timely file a withdrawal plan. The Germania Companies have agreed to pay a total administrative penalty of \$125,000.

Waiver

The Germania Companies acknowledge that the Texas Insurance Code and other applicable law provide certain rights. The Germania Companies waive all of these rights, and any other applicable procedural rights, in consideration of the entry of this consent order. Under TEX. INS. CODE § 82.055(b), the Germania Companies agree to this consent order with the express reservation that they do not admit to a violation of the Texas Insurance Code or of a rule and that the existence of a violation is in dispute.

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Findings of Fact

1. The Germania Companies are all domestic fire and casualty insurance companies that hold a certificate of authority to transact business in Texas.

Restriction Plan

2. Texas law requires an insurer to file a proposed restriction plan with the department for approval by the commissioner if the insurer, in response to a catastrophic natural event that occurred during the preceding six months, proposes to restrict writing new business in a rating territory in a line of personal automobile or residential property insurance.
3. On July 9, 2023, the Germania Companies communicated to their agents that they would stop writing new business statewide in multiple lines, including personal automobile and residential property.
4. The Germania Companies did not file the required withdrawal plan until July 21, 2023, following a meeting with the department, and after notifying agents and implementing actions to restrict new business, including personal automobile and residential property.

Withdrawal Plan

5. Texas law requires an insurer to file a withdrawal plan with the department for approval by the commissioner if the insurer proposes to:
 - a. reduce its total annual premium volume by 50% or more; or
 - b. reduce its annual premium by 75% or more in a line of insurance in this state.
6. Germania Insurance Company informed agents of plans to exit the following lines of business on July 11, 2023.
 - Commercial Multiple Peril (liability portion)
 - Other Liability – Occurrence
 - Commercial Auto No-Fault (Personal Injury Protection)
 - Other Commercial Auto Liability
 - Commercial Auto Physical Damage

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7. On July 12, 2023, Germania Insurance Company notified its agents via email that new business quoting for commercial lines products, including commercial auto and commercial general liability was suspended.
8. Germania Insurance Company filed the withdrawal plan on July 28, 2023. The plan lists the withdrawal date as of January 1, 2024, or an earlier date pending approval of the withdrawal plan.
9. Germania Insurance Company failed to timely file the withdrawal plan for review and approval.

Conclusions of Law

1. The commissioner has jurisdiction over this matter under TEX. INS. CODE §§ 82.051–82.055, 84.021–84.044, 801.051–801.053, and 827.001–827.007.
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 Germania Companies have knowingly and voluntarily waived all procedural rights to which they 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. The Germania Companies violated TEX. INS. CODE § 827.008 and 28 TEX. ADMIN. CODE § 7.1809 by failing to timely file a restriction plan.
5. Germania Insurance Company violated TEX. INS. CODE § 827.003 and 28 TEX. ADMIN. CODE § 7.1805 by failing to timely file a withdrawal plan.

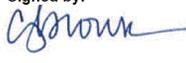
Order

It is ordered that Germania Insurance Company pay an administrative penalty of \$50,000, and that Germania Select Insurance Company, Germania Fire & Casualty Company, and Germania Property & Casualty Insurance Company each pay an administrative penalty of \$25,000, for a total of \$125,000, within 30 days from the date of this order. The

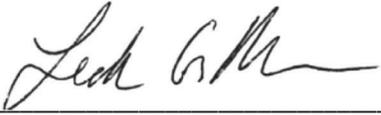
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administrative penalty must be paid as instructed in the invoice, which the department will send after entry of this order.

Signed by:

FC5D7EDDFFBB4F8... _____
Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Fraud and Enforcement Division



Mandy Meesey, Associate Commissioner
Enforcement

Affidavit

STATE OF Texas §
§
COUNTY OF Washington §

Before me, the undersigned authority, personally appeared Brandon Keller, who being by me duly sworn, deposed as follows:

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

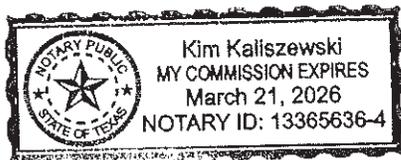
I hold the office of President & CEO and am the authorized representative of Germania Insurance Company. I am duly authorized by said organization to execute this statement.

Germania 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."

Brandon Keller 
Affiant

SWORN TO AND SUBSCRIBED before me on October 17, 2024.

(NOTARY SEAL)



Kim Kaliszewski
Signature of Notary Public

Kim Kaliszewski
Printed Name of Notary Public

Affidavit

STATE OF Texas §

§

COUNTY OF Washington §

Before me, the undersigned authority, personally appeared Brandon Keller,
who being by me duly sworn, deposed as follows:

"My name is Brandon Keller. 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 President & CEO and am the authorized representative of
Germania Select Insurance Company. I am duly authorized by said organization to
execute this statement.

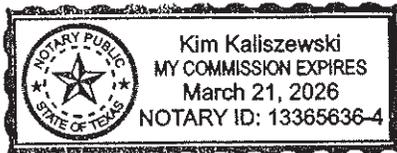
Germania Select Insurance Company has knowingly and voluntarily entered into the
foregoing consent order and agrees with and consents to the issuance and service of the
same by the commissioner of insurance of the state of Texas."

Brandon Keller
Affiant



SWORN TO AND SUBSCRIBED before me on October 17, 2024.

(NOTARY SEAL)



Kim Kaliszewski
Signature of Notary Public

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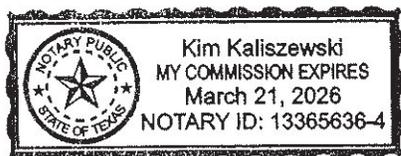
I hold the office of President & CEO and am the authorized representative of Germania Fire & Casualty Company. I am duly authorized by said organization to execute this statement.

Germania Fire & Casualty 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."

Brandon Keller 
Affiant

SWORN TO AND SUBSCRIBED before me on October 17, 2024.

(NOTARY SEAL)



Kim Kaliszewski
Signature of Notary Public

Kim Kaliszewski
Printed Name of Notary Public

Affidavit

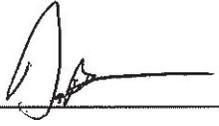
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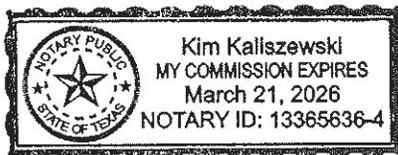
I hold the office of President & CEO and am the authorized representative of Germania Property & Casualty Insurance Company. I am duly authorized by said organization to execute this statement.

Germania Property & Casualty 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."

Brandon Keller 
Affiant

SWORN TO AND SUBSCRIBED before me on October 17, 2024.

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