# Official Order of the Texas Commissioner of Insurance

Date: 01/03/2022

# **Subject Considered:**

Johnson, Kendall & Johnson, Inc. 109 Pheasant Run Newtown, PA 18940

Consent Order
TDI Enforcement File No. 28761

#### General remarks and official action taken:

This is a consent order with Johnson, Kendall & Johnson, Inc. (Johnson, Kendall & Johnson). Johnson, Kendall & Johnson failed to timely file surplus lines policies and related documents. Johnson, Kendall & Johnson has agreed to pay an administrative penalty of \$1,725 for these violations.

#### Waiver

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

## **Findings of Fact**

- 1. Johnson, Kendall & Johnson, organization identification number 19467, 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

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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 60th day after the later of the effective date or the issue date of new or renewal surplus lines insurance.

- 3. In 2020, Johnson, Kendall & Johnson filed surplus lines policies late.
- 4. In March 2021, TDI assessed fees against Johnson, Kendall & Johnson because the late-filed surplus lines policies met at least one of the conditions in Tex. INS. CODE § 981.105(d-e).
- 5. Johnson, Kendall & Johnson did not timely pay the fees assessed pursuant to TEX. INS. CODE § 981.105(c-e).

#### **Conclusions of Law**

- 1. The commissioner of insurance has jurisdiction over this matter pursuant to Tex. INS. CODE §§ 82.051-82.055, 84.021-84.044, and 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. Johnson, Kendall & Johnson 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. Johnson, Kendall & Johnson violated Tex. Ins. Code § 981.105(a) by failing to timely file new or renewal surplus lines policies and related documents.

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#### **Order**

It is ordered that Johnson, Kendall & Johnson must pay an administrative penalty of \$1,725. The administrative penalty must be paid within 30 days from the date of this order. The administrative penalty must be paid as instructed in the invoice, which the department will send after entry of this order.

DocuSigned by:

FC5D7EDDFFBB4F8..

Cassie Brown

Commissioner of Insurance

Recommended and reviewed by:

Leah Gillum, Deputy Commissioner

**Enforcement Division** 

L. Merida

Latoya Merida, Attorney

Enforcement Division

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THE STATE OF Pennsylvania §	
§	
COUNTY OF Bucks	
Before me, the undersigned authority, personally appeared the affiant, who being by me duly sworn, deposed as follows:	
"My name is <u>Bruce F White</u> . I am of sound mand have personal knowledge of these facts which	nind, capable of making this statement, are true and correct.
I hold the office of $\underline{\text{Executive Vice President}}$ and Johnson, Kendall & Johnson, Inc. I am duly authoristatement.	am the authorized representative of zed by the organization to execute this
Johnson, Kendall & Johnson, Inc. 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."	
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SWORN TO AND SUBSCRIBED before me on December 27 , 2021.	
(NOTARY SEAL)	
Commonwealth of Pennsylvania - Notary Seal Angela M. O'Malley, Notary Public Bucks County My commission expires March 28, 2025 Commission number 1122398  Member, Pennsylvania Association of Notaries	Ongela M. OMalley  gnature of Notary Public
	Angela M. O'Malley
Pr	inted Name of Notary Public

**Affidavit**