

2008 MAY -1 PM 12:05

ADMIN HEARINGS OFFICE

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

IN RE:	:	VIOLATIONS:
	:	
ELECTRIC INSURANCE COMPANY	:	77 Purdons Statutes, Sections
75 Sam Fonzo Drive	:	997(a)
Beverly, MA 01915	:	
	:	Title 34, Pennsylvania Code,
	:	Section 129.106
	:	
Respondent.	:	Docket No. CO08-03-016

CONSENT ORDER

AND NOW, this *1st* day of *May*, 2008, this Order is hereby issued by the Insurance Department of the Commonwealth of Pennsylvania pursuant to the statutes cited above and in disposition of the matter captioned above.

1. Respondent hereby admits and acknowledges that it has received proper notice of its rights to a formal administrative hearing pursuant to the Administrative Agency Law, 2 Pa.C.S. § 101, et seq., or other applicable law.

2. Respondent hereby waives all rights to a formal administrative hearing in this matter, and agrees that this Consent Order, and the Findings of Fact and

Conclusions of Law contained herein, shall have the full force and effect of an Order duly entered in accordance with the adjudicatory procedures set forth in the Administrative Agency Law, supra, or other applicable law.

FINDINGS OF FACT

3. The Insurance Department finds true and correct each of the following Findings of Fact:

- (a) Respondent is Electric Insurance Company, and maintains its address at 75 Sam Fonzo Drive, Beverly, MA 01915.
- (b) At all times herein, Respondent has been a licensed insurer in the Commonwealth of Pennsylvania and is authorized to write workers' compensation insurance.
- (c) Respondent is required by Pennsylvania Statutes to timely file an annual report of "Accident and Illness Prevention Services" (AIPS) to the Pennsylvania Department of Labor and Industry by June 1st of each year.
- (d) On October 3, 2007, Respondent did file its AIPS Report with the Pennsylvania Department of Labor and Industry after being notified by the Department, which was one hundred and twenty five (125) days late.

CONCLUSIONS OF LAW

4. In accord with the above Findings of Fact and applicable provisions of law, the Insurance Department concludes and finds the following Conclusions of Law:

- (a) Respondent is subject to the jurisdiction of the Pennsylvania Insurance Department.
- (b) 77 Purdon's Statutes, Section 997(a), provides that any insurer licensed to transact workmen's compensation insurance in this Commonwealth that fails to submit any report under the Workers Compensation Act, may be subject to license revocation or suspension by the Insurance Commissioner.
- (c) Respondent's activities described above in paragraph 3(d) constitute failing to timely submit a required report, in violation of 77 Purdon's Statutes, Section 997(a).
- (d) Title 34, Pennsylvania Code, Section 129.106 mandates, by June 1st of each year, annual reporting by licensed insurers regarding accident and illness prevention services being maintained or provided to policyholders.

ORDER

5. In accord with the above Findings of Fact and Conclusions of Law, the Insurance Department orders and Respondent consents to the following:

- (a) Respondent shall cease and desist from engaging in the activities described herein in the Findings of Fact and Conclusions of Law.

6. In the event the Insurance Department finds that there has been a breach of any of the provisions of this Order, based upon the Findings of Fact and Conclusions of Law contained herein, the Department may pursue any and all legal remedies available, including but not limited to the following: The Department may enforce the provisions of this Order in an administrative action pursuant to the Administrative Agency Law, supra, or other relevant provision of law; or, if applicable, the Department may enforce the provisions of this Order in any other court of law or equity having jurisdiction.

7. Alternatively, in the event the Insurance Department finds that there has been a breach of any of the provisions of this Order, the Department may declare this Order to be null and void and, thereupon, reopen the entire matter for appropriate action pursuant to the Administrative Agency Law, supra, or other relevant provision of law.

8. In any such enforcement proceeding, Respondent may contest whether a breach of the provisions of this Order has occurred but may not contest the Findings of Fact and Conclusions of Law contained herein.

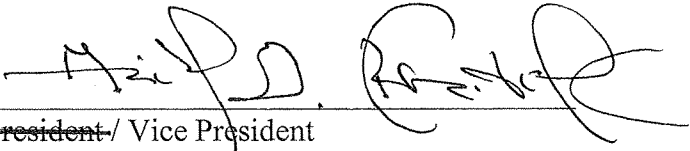
9. Respondent hereby expressly waives any relevant statute of limitations and application of the doctrine of laches for purposes of any enforcement of this Order.

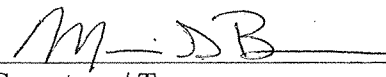
10. This Order constitutes the entire agreement of the parties with respect to the matters referred to herein, and it may not be amended or modified except by an amended order signed by all the parties hereto.


11. This Order shall be final upon execution by the Insurance Department. Only the Insurance Commissioner or a duly authorized delegee is authorized to bind the Insurance Department with respect to the settlement of the alleged violations of law

contained herein, and this Consent Order is not effective until executed by the Insurance Commissioner or a duly authorized delegee.

BY: ELECTRIC INSURANCE COMPANY,
Respondent


~~President~~ / Vice President


Secretary / Treasurer



COMMONWEALTH OF PENNSYLVANIA
By: Randolph L. Rohrbaugh
Deputy Insurance Commissioner

BEFORE THE INSURANCE COMMISSIONER
OF THE
COMMONWEALTH OF PENNSYLVANIA

IN RE: The Act of April 9, 1929, P.L. 177, No. 175, known as The
Administrative Code of 1929

AND NOW, this 6th day of July 2007, Randolph L. Rohrbaugh,

Deputy Insurance Commissioner, is hereby designated as the Commissioner's duly
authorized representative for purposes of entering in and executing Consent Orders. This
delegation of authority shall continue in effect until otherwise terminated by a later Order
of the Insurance Commissioner.



Joel S. Ario
Insurance Commissioner

