

**RECEIVED**

By Admin Hearings, Ins Dept at 10:13 am, Jan 06, 2022

BEFORE THE INSURANCE COMMISSIONER  
OF THE  
COMMONWEALTH OF PENNSYLVANIA

IN RE:	:	VIOLATIONS:
	:	
UNITED STATES FIRE INSURANCE	:	40 P.S. §§ 3801.303(a) and 756.2(f)(3)
COMPANY	:	
305 Madison Ave.	:	
Morristown, NJ 07962	:	
	:	
	:	
	:	
	:	
	:	
Respondent.	:	Docket No. CO21-10-004

CONSENT ORDER

AND NOW, this 6th day of January, 2022, this Order is hereby issued by the Insurance Department of 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 United States Fire Insurance Company and maintains with the Pennsylvania Insurance Department a record of its address as 305 Madison Avenue, Morristown, NJ 07962.
- (b) Respondent holds, and at all times relevant hereto has held, a certificate of authority to operate as an insurance company in Pennsylvania.
- (c) Respondent sold unapproved products through the Unified Caring Association.
- (d) Respondent withdrew its application for approval of Unified Caring Association as a bona fide out-of-state association, prior to approval for it to operate in Pennsylvania.
- (e) Respondent reported having 2,976 in force products for Pennsylvania consumers through the unapproved Unified Caring Association from January 1, 2019 through September 30, 2020.
- (f) Upon being notified by the Department, Respondent stopped issuing products through the Unified Caring Association identified in finding 3(d).

## 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) 40 P.S. § 3801.303(a) makes it unlawful for an insurance company doing business in Pennsylvania to offer any policy, contract, or certificate covering health and/or accident insurance without the forms for the policy, contract, or certificate being filed for review by the Department. The forms for the limited benefit product offered by respondent were not exempted from form filing under § 3801.303(b). See Notice 2018-10, 48 Pa. B. 7282 (Nov. 17, 2018).
  
- (c) Respondent's activities described in paragraphs 3(c) and 3(e) constitute offering policies, contracts, or certificates in Pennsylvania that had not been filed for review, in violation of 40 P.S. § 3801.303(a).
  
- (d) 40 P.S. § 756.2(f)(3) requires out-of-state associations offering products in the Commonwealth to be organized or domiciled in a state other than the Commonwealth, to have a constitution and bylaws, to be organized by other than an insurer, to be maintained in good faith for purposes other than those of obtaining insurance, to have been in active existence

for at least two years, to operate from offices other than the insurer's and to be controlled by principals other than the insurer's.

- (e) Respondent's activities described in paragraphs 3(c) and 3(e) were undertaken without demonstrating that the Unified Caring Association met the requirements for a bona fide out-of-state association as set forth in 40 P.S. 756.2(f)(3).

#### 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.
- (b) Respondent shall pay a civil penalty of Twenty-Five thousand dollars (\$25,000.00) to the Commonwealth of Pennsylvania. Payment of this penalty shall be made by certified check or money order, payable to the Commonwealth of Pennsylvania. Payment should be directed to the Pennsylvania Insurance Department, Bureau of Licensing and Enforcement, 1227 Strawberry Square, Harrisburg, Pennsylvania 17120. Payment may be enclosed with the Consent Order, but must be paid in any event no later than fourteen (14) days after the date of the Consent Order.

- (c) Respondent shall make restitution to such persons that he Deputy Commissioner identifies within 12 months of the date of this order. Proof of restitution payment shall be provided to the Insurance Department by Respondent within six (6) months from the date such determination is made by the Deputy Commissioner.

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 provisions 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 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.

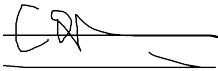
8. In any such enforcement proceeding, Respondent may contest whether a breach of the provisions of this Order has occurred but may not contest the Findings of Fact and Conclusions of Law contained herein.

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 duly authorized delegee.

BY: UNITED STATES FIRE INSURANCE  
COMPANY, Respondent



---

President/Vice President

---

Secretary/Treasurer



---

COMMONWEALTH OF PENNSYLVANIA  
By: DAVID J. BUONO JR.  
Acting Deputy Insurance Commissioner