



Consent Order

1300 SW Arrowhead Rd., Topeka, KS 66604
785-296-3071 – <https://insurance.kansas.gov>

In the Matter of:

Docket #: 97916

ACE AMERICAN INSURANCE COMPANY

#22667

ACE FIRE UNDERWRITERS INSURANCE COMPANY

#20702

INSURANCE COMPANY OF NORTH AMERICA

#22713

Pursuant to K.S.A. 40-103, K.S.A. 40-951 *et seq.*, K.S.A. 40-2,125, and in accordance with K.S.A. 77-501 *et seq.*, the Commissioner of Insurance has the general supervision, control and regulation of corporations, companies, associations, societies, exchanges, partnerships, or persons authorized to transact the business of insurance, indemnity or suretyship in this state and shall have the power to make all reasonable rules and regulations necessary to enforce the laws of this state relating thereto. If any person has engaged in or is engaging in any act or practice constituting a violation of the any provision of Kansas insurance statutes or any rule and regulation or order thereunder, the Commissioner may, in the exercise of discretion order such remedies as payment of monetary penalties, suspension or revocation of licenses or certificates, or issuing cease and desist order or such other affirmative action to carry out the purposes of the violated provision. The companies named above are currently licensed as insurance companies in the State of Kansas.

Now, in lieu of further civil administrative proceedings and to resolve this matter, the Commissioner and the companies hereby agree to the following:

1. The companies named above have been advised that, pursuant to K.S.A. 77-537 and K.S.A. 77-542, a company has a right to a hearing before the Commissioner may impose any sanctions or penalties; at a hearing, the company would be entitled to appear in person, to be represented by an attorney or other representative who is permitted to practice before the agency, to present its position, arguments or contentions in writing and to present evidence and examine witnesses appearing for and against it. The companies hereby waive all such rights.
2. The companies hereby waive any and all rights each may have under the Kansas Administrative Procedure Act, K.S.A. 77-501 *et seq.* and the Kansas Judicial Review Act, K.S.A. 77-601 *et seq.* to seek administrative or judicial review of this Consent Order.
3. The companies consent to the jurisdiction of the Commissioner and the Kansas Insurance Department ("Department") to determine the issues set forth herein. The companies expressly waive any prerequisites to jurisdiction that may exist.
4. The companies neither admit nor deny the following statement of facts, but acknowledge that the Commissioner has sufficient evidence to introduce at an administrative hearing that the following facts occurred or are occurring:
 - The companies write small watercraft policies in Kansas under the "Chubb" moniker. The forms utilized by each company are identical, but the rating plans are not. As a result of an internal review process of the programs that was undertaken

in conjunction with the policy forms, the companies discovered the rating programs had not been filed or approved for use in Kansas, and the companies reported the matter to Department in March 2021.

- The companies developed a new rating manual for use in Kansas, filed the rating manual with the Department, and received on October 24, 2022.
5. The companies neither admit nor deny the following statutes were violated, but acknowledges the applicability of the same:
 - K.S.A. 40-955 – requiring insurers to file with the Commissioner every manual of classifications, rules and rates, every rating plan, policy form and every modification of any of the foregoing which it proposes to use. Every such filing shall indicate the proposed effective date and the character and extent of the coverage contemplated and shall be accompanied by the information upon which the insurer supports the filings.
 - K.S.A. 40-216 – requiring every personal lines contract of insurance or indemnity issued or delivered in this state to be filed with the Commissioner.
 6. The companies agree to pay the monetary penalty listed below. Payment is due within thirty (30) days after the effective date of this Consent Order. Such penalty is assessed jointly and severally against the companies.
 - \$1,000
 7. In addition, the companies agree to take such other affirmative action as specified below:
 - The companies have made corrective filings and now have rates approved for use in Kansas. The companies will advise the Department promptly of any changes to rates and will comply with filing and approval requirements.
 8. The companies have read and understand this Consent Order. The companies further understand that it has the right to retain counsel of its choice and have counsel review this Consent Order.
 9. The companies agree that if any company fails to comply with the terms of this Consent Order, the Commissioner may take action to gain compliance with the Consent Order including, but not limited to: issuing such ancillary orders and suspending the company's license until it has complied.
 10. The companies waive any and all causes of action, claims or rights, known and unknown, which each may have against the Department, and any employees, agents, consultants, contractors or officials of the Department, in their individual and official capacities, as a result of any acts or omissions on the part of such persons or firms.
 11. The companies agree to be served a copy of this fully executed Consent Order electronically or by regular U.S. Mail.

12. The companies acknowledge that this Consent Order may be published on the website of the Kansas Insurance Department. The companies understand and acknowledge that this Consent Order is a public document pursuant to the Kansas Open Records Act, K.S.A. 45-215 *et seq.*

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The undersigned stipulates and agrees to the above findings, facts, and conclusions of law and waives their rights to an administrative hearing and judicial review of the Commissioner's Order.

For ACE AMERICAN INSURANCE COMPANY:

Raymond Crisci

Company Representative Name (Print)

22667

NAIC Number

DocuSigned by:
Raymond Crisci
0CB9A45EC0164A9...

January 10, 2023

Company Representative Name Signature

Date

The undersigned stipulates and agrees to the above findings, facts, and conclusions of law and waives their rights to an administrative hearing and judicial review of the Commissioner's Order.

For ACE Fire Underwriters Insurance Company:

Raymond Crisci

Company Representative Name (Print)

20702

NAIC Number

DocuSigned by:
Raymond Crisci
0CB9A45EC0164A9...

Company Representative Name Signature

January 10, 2023

Date

The undersigned stipulates and agrees to the above findings, facts, and conclusions of law and waives their rights to an administrative hearing and judicial review of the Commissioner's Order.

For Insurance Company of North America:

Raymond Crisci

Company Representative Name (Print)

22713

NAIC Number

DocuSigned by:
Raymond Crisci
0CB9A45EC0164A9...

January 10, 2023

Company Representative Name Signature

Date

ORDER

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT:

1. ACE American Insurance Company, ACE Fire Underwriters Insurance Company, and Insurance Company of North America, jointly and severally, shall pay a monetary penalty of \$1,000.

2. The monetary penalty of \$1,000 shall be paid in full within 30 days of the effective date of this Order. Failure to pay will result in the issuance of such further action or orders as the Commissioner deems necessary.

3. This Order shall take effect when signed by all parties and the Commissioner or the Commissioner's designee and filed of record with the Kansas Insurance Department.

IT IS SO ORDERED THIS 11th DAY OF January 2023, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



VICKI SCHMIDT
COMMISSIONER OF INSURANCE


BY: 
Justin L. McFarland
General Counsel

Certificate of Service

The undersigned hereby certifies that she served the above and foregoing Consent Agreement and Final Order on this 12th day of January, 2023 by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Ace American Insurance Company
Ace Fire Underwriters Insurance Company
Insurance Company of North America
John J. Lupica, President
436 Walnut Street, WA04R
PO Box 1000
Philadelphia, PA 19105

And was provided via electronic mail to:


Toni Garrard
Senior Administrative Assistant