



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

Market Conduct Report

of

Palisades Insurance Company

September 28, 2022

The Market Conduct Division of the Connecticut Insurance Department examined by survey the market conduct practices of Palisades Insurance Company using a sample period of January 17, 2022, through June 2, 2022. The examination survey was limited to Connecticut auto insurance business.

Palisades Insurance Company is domiciled in the state of New Jersey. By authority granted under §38a-15 of the Connecticut General Statutes, this examination survey was conducted by Market Conduct examiners of the State of Connecticut Insurance Department (the Department) at the Department offices in Hartford, Connecticut.

The purpose of the examination survey was to evaluate the Company's market conduct practices in the State of Connecticut. The examiners reviewed the Company's survey response, which included new business, claims, complaints, and underwriting information requested for the examination period.

The Department's findings are as follows:

- Eight (8) individuals acting as agents of Respondent prior to filing the required appointments with the Department
- Failure to provide timely policy renewal notices to certain policyholders

As it relates to the issues listed above, the Company was not in compliance with applicable Connecticut Statutes and Regulations.



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

IN THE MATTER OF:

PALISADES INSURANCE COMPANY:

x

DOCKET MC 22-37

x

STIPULATION AND CONSENT ORDER

It is hereby stipulated and agreed between Palisades Insurance Company and the State of Connecticut Insurance Department by and through Andrew N. Mais, Insurance Commissioner to wit:

I

WHEREAS, pursuant to a Market Conduct examination, the Insurance Commissioner alleges the following with respect to Palisades Insurance Company:

1. Palisades Insurance Company, hereinafter referred to as Respondent, is domiciled in the State of New Jersey and is licensed to transact property and casualty insurance in the State of Connecticut. The NAIC company code number is 10791.
2. From January 17, 2022, through June 2, 2022, the Department conducted an examination of Respondent's market conduct practices in the State of Connecticut covering the period January 1, 2020, through December 31, 2020.
3. During the period under examination, Respondent failed to follow established practices and procedures to ensure compliance with statutory requirements resulting in instances of:
 - (a) Eight (8) individuals acting as agents of Respondent prior to filing the required appointments with the Department
 - (b) Failure to provide timely renewal notices to certain policyholders
4. The conduct described in paragraph three is in violation of Sections 38a-702m and 38a-323(b)(1) of the Connecticut General Statutes and constitutes cause for the imposition of a fine or other administrative penalty under Sections 38a-2 and 38a-41 of the Connecticut General Statutes.

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P.O. Box 816 Hartford, CT 06142-0816

Affirmative Action/Equal Employment Opportunity Employer

II


1. WHEREAS, Respondent admits the allegations in paragraphs three and four of Article I of this Stipulation and Consent Order; and
2. WHEREAS, Respondent agrees to undertake a complete review of its practices and procedures, with respect to those areas of concern, as described in the Market Conduct Report and this Stipulation, so that those areas of concern are compliant with Connecticut Statutes; and
3. WHEREAS, Respondent agrees to provide the Insurance Commissioner with a full report of findings and a summary of actions taken to comply with the requirements of paragraph two of this Section within ninety (90) days of the date of this document; and
4. WHEREAS, Respondent agrees to pay a fine in the amount of \$17,000 for the violations described herein; and
5. WHEREAS, Respondent, being desirous of terminating administrative action without the necessity of a formal hearing or further litigation, does consent to the making of this Consent Order and voluntarily waives:
 - a. any right to notice and a hearing; and
 - b. any requirements that the Insurance Commissioner's decision contain a statement of findings of fact and conclusions of law; and
 - c. any and all rights to object to or challenge before the Insurance Commissioner or in any judicial proceeding any aspect, provision or requirement of this Stipulation

NOW THEREFORE, upon the consent of the parties, it is hereby ordered and adjudged:

1. That the Insurance Commissioner has jurisdiction of the subject matter of this administrative proceeding.
2. That Respondent is fined the sum of Seventeen Thousand Dollars (\$17,000) for the violations herein above described.

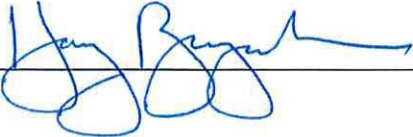
Palisades Insurance Company

By: _____


Harry Baumgartner, Corporate Secretary

CERTIFICATION

The undersigned deposes and says that he has duly executed this Stipulation and Consent Order on this 20th day of October 2022, for and on behalf of Palisades Insurance Company; that he is the Corporate Secretary of such company, and he has authority to execute and file such instrument.

By:  _____

STATE OF NEW JERSEY

SS

COUNTY OF MIDDLESEX

On the 20th day of October 2022, before me personally appeared Harry Baumgartner, sealer of the foregoing Stipulation and Consent Order, acknowledged same to be his act and deed.



Notary Public

NOELLE PRESTIGIACOMO
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES JULY 31, 2025

Section Below To Be Completed by State of Connecticut Insurance Department

Dated at Hartford, Connecticut this 22 day of November 2022.



Andrew N. Mais
Insurance Commissioner