

**STATE OF VERMONT  
DEPARTMENT OF FINANCIAL REGULATION**

IN RE: )  
PERMANENT GENERAL ASSURANCE ) DOCKET NO. 19-044-I  
CORPORATION (NAIC #37648) )

**STIPULATION AND CONSENT ORDER**

The Vermont Department of Financial Regulation (“Department”) and Permanent General Assurance Corporation (“Respondent” or “The General”) stipulate and agree:

1. Pursuant to the authority granted by Vermont law including, but not limited to, that contained in 8 V.S.A. §§ 11, 12, 13, and 4726, the Commissioner of the Department is charged with administering and enforcing the insurance laws of the State of Vermont and is authorized to investigate insurers to determine compliance with these laws and regulations.

Respondent acknowledges and admit the jurisdiction of the Commissioner over the subject matter of this Stipulation and Consent Order.

2. Respondent is a foreign insurance company and is duly licensed in the State of Vermont. Respondent is located at 2636 Elm Hill Pike #510, Nashville, TN 37214.

3. The Department and Respondent enter into this Stipulation and Consent Order to resolve, without further administrative proceedings, the Department’s allegations that Respondent’s practices related to general licensing requirements and the handling of claims for coverage under the Uninsured Motorists Property Damage (“UMPD”) provisions of the insured’s policy resulted in certain claims being processed in a manner that violated Vermont law.

4. Title 8 V.S.A. § 4793 sets forth the statutory general license requirement. Under this provision, no person shall act as an insurance adjuster unless duly authorized.

5. Title 23 V.S.A. § 941 sets forth the statutory requirements for insurance against uninsured motorists. Under this provision, a deductible of \$150 is permitted only if the claimant does not have collision coverage for his or her motor vehicle.<sup>1</sup> If the claimant does have collision coverage, no deductible is permitted. A violation of this provision of Title 23 constitutes a violation of 8 V.S.A. § 4723 pursuant to 8 V.S.A. § 4724(9)(F).

6. After receiving a consumer complaint, the Department began an investigation into Respondent's claims practices.

7. As a result of its investigation, the Department concludes that a claim was processed by an individual who was not duly licensed, which constitutes a violation of 8 V.S.A. § 4793.

8. Additionally, as a result of its investigation, the Department concludes the Respondent failed in some cases to waive the collision deductible when it should have been waived, which constitutes a violation of 23 V.S.A. § 941 and 8 V.S.A. § 4723 pursuant to 8 V.S.A. § 4724(9)(F).

9. The Department acknowledges that Respondent has fully cooperated with the Department's investigation. Respondent reviewed all collision claims for the period January 1, 2016 through March 1, 2019 for compliance with UMPD provisions under Vermont law. Respondent identified 10 claims that were not processed and/or paid in accordance with Vermont law, and as a result voluntarily refunded to Vermont insureds the sum of \$1500.00, plus statutory interest.

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<sup>1</sup> See also Bulletin No. 175.

10. Respondent acknowledges that this Stipulation and Consent Order constitutes a valid order duly rendered by the Commissioner and agrees to be fully bound by it. Respondent acknowledges that this Order constitutes a finding by the Commissioner that Respondent violated the provisions of Vermont law set forth above and agrees not to contest such findings. Respondent acknowledges that noncompliance with any terms of this Order shall constitute a violation of a lawful order of the Commissioner and shall subject Respondent to administrative action or sanctions as the Commissioner deems appropriate. Respondent further acknowledges that the Commissioner retains jurisdiction over this matter for the purpose of enforcing this Order.

11. Nothing herein shall be construed as a waiver of any private right of action any person may have, nor shall it restrain or limit the Department in responding and addressing any consumer complaint which may be filed, or from pursuing any other violation of Vermont laws, orders, or regulations, including any violation of this Stipulation and Consent Order.

12. Respondent has represented that it has put corrective actions in place to ensure future compliance with Vermont laws. Department examiners may inquire periodically.

13. Respondent shall implement other appropriate controls necessary to ensure compliance with Vermont law.

14. Respondent shall pay an administrative penalty in the amount of eleven thousand (\$11,000) dollars to the Vermont Department of Financial Regulation within twenty (20) days of execution of this Stipulation and Consent Order.

15. Respondent acknowledges and agree that this Stipulation and Consent Order is entered freely and voluntarily and that, except as set forth herein, no promise was made to induce Respondent to enter into it, and that this Stipulation and Consent Order represents the entire agreement of the parties as to the subject matter of this agreement and Order.

16. Respondent acknowledges that it has had an opportunity to be represented by counsel in this matter and, understands that it is entitled to a hearing before the Commissioner or her designee in the event administrative charges are filed against it, and Respondent hereby voluntarily waives that right.

17. This Stipulation and Consent Order shall be governed and construed by the laws of the State of Vermont.

18. Each of the parties signing below represents that she or he has full authority to bind the entity on behalf of which she or he signs.

THE GENERAL

By Their Duly Authorized Agent

Nicole Brockman  
Signature

9-26-19  
Date

Nicole Brockman Director Corporate Compliance  
Printed Name and Title

Accepted by: [Signature]

Date: 10-7-19

Kevin J. Gaffney  
Deputy Commissioner, Insurance Division,  
Vermont Department of Financial Regulation

**ORDER**

1. Respondent shall comply with all agreements, stipulations and undertakings as recited above.
2. Nothing contained in this Order shall restrain or limit the Department in responding and addressing any consumer complaint that may be filed, nor shall it preclude the Department from pursuing any other violation of Vermont laws.

Dated at Montpelier, Vermont this 7<sup>th</sup> day of October, 2019.



Michael S Pieciak, Commissioner  
Vermont Department of Financial Regulation