

BEFORE ALLAN L. MCVEY, INSURANCE COMMISSIONER  
OF THE STATE OF WEST VIRGINIA

*In the Matter of:*

**THE ORDER of UNITED COMMERCIAL TRAVELERS of AMERICA (NAIC #56383)**

Administrative Proceeding No. 24-IC-172392

ORDER ASSESSING CIVIL PENALTIES

The undersigned, Allan L. McVey, is the Insurance Commissioner (“Commissioner”) of the State of West Virginia, Offices of the Insurance Commissioner (“OIC”), and is charged with enforcing Chapter 33 of the *West Virginia Code*. The Order of United Commercial Travelers of America (“OUCTA”), an Ohio domiciled fraternal benefit society, is licensed to transact the business as a fraternal benefit society in the State of West Virginia, pursuant to *West Virginia Code* §§33-23-1 through 35, under a Certificate of Authority (“COA”) issued by the Insurance Commissioner. OUCTA is subject to licensing under Article 23, Chapter 33 of the *West Virginia Code*, related legislative rules and the authority of the Commissioner, as a foreign fraternal benefit society.

OUCTA failed to submit a true statement of its financial condition, transactions and affairs as of the preceding December 31 prior to the statutory due date, as required by *West Virginia Code* §33-4-14(a).

The Commissioner may refuse to license a fraternal benefit society when he determines that a fraternal benefit society has not complied with the laws of this State or that it is not in the best interest of the people of this State that such fraternal benefit society be licensed or that such fraternal benefit society would transact business in this State in an improper, illegal or unjust manner. *West Virginia Code* §33-3-9.

The aforementioned items were required to be submitted to the OIC no later than March 1, 2024. The filings were to be submitted to the OIC via the System for Electronic Rates and Forms

Filing (SERFF). Notices were sent to all licensed fraternal benefit societies regarding this requirement on January 11, 2024, and February 9, 2024.

*West Virginia Code* §33-3-8 requires all fraternal benefit society to submit completed required forms with supporting documents and fees prior to March 1<sup>st</sup> in order to renew the COA **by May 31 of each year**. To date, OUCTA has not filed the required forms for renewal of its COA.

*West Virginia Code* §33-3-11 provides that the Commissioner may, after notice and hearing, refuse to renew, or may revoke or suspend the license of a fraternal benefit society, if the fraternal benefit society violates any provision of Chapter 33 other than those as to which refusal, suspension or revocation is mandatory or fails to comply with any lawful rule, regulation or order of the Commissioner. However, *West Virginia Code* §33-3-11(b) provides that, in lieu of taking action under *West Virginia Code* §33-3-11(a), in any case except where such action is mandatory, the Commissioner may, by order, require the insurer to pay a penalty in a sum not exceeding Ten Thousand Dollars (\$10,000.00).

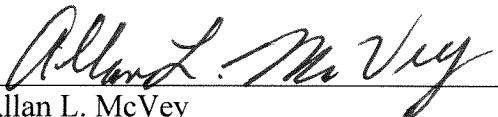
The Commissioner hereby finds and concludes that OUCTA violated *West Virginia Code* §33-3-8 and *West Virginia Code* §33-4-14 by failing to timely file the required document for the renewal of its COA.

It is, therefore, **ORDERED** that a civil penalty in the amount of Three Thousand Five Hundred Dollars (\$3,500.00) be, and it is, hereby, assessed against OUCTA, for the aforesaid violations. It is further **ORDERED** that the civil penalty, totaling Three Thousand Five Hundred Dollars (\$3,500.00), shall be paid within 30 days after notice of this Order.

Pursuant to *West Virginia Code* §33-3-11(b), if OUCTA fails to pay such penalty within 30 days after notice of this Order, the company's license will be subject to revocation or suspension. Further, pursuant to the *West Virginia Code* §33-2-13, should OUCTA feel aggrieved by this Order, it may make a written demand to the Commissioner for hearing in this matter. Such

a demand shall specify the grounds to be relied upon as a basis for the relief to be requested at the hearing.

**ENTERED** this 8<sup>th</sup> day of April 2024.

  
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Allan L. McVey  
CPCU, ARM, AAI, AAM, AIS  
Insurance Commissioner