

BEFORE JAMES A. DODRILL, INSURANCE COMMISSIONER
OF THE STATE OF WEST VIRGINIA

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In the Matter of:

GRANULAR INSURANCE COMPANY (NAIC #93521)

**OFFICE WEST VIRGINIA
SECRETARY OF STATE**

Administrative Proceeding No. 21-IC-02076

ORDER ASSESSING FURTHER CIVIL PENALTIES

The undersigned, James A. Dodrill, 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*. Granular Insurance Company (“GIC”), a South Carolina domiciled insurance company, is licensed to transact the business of life insurance in the State of West Virginia, pursuant to *West Virginia Code* §§33-3-1 through 33b, under a Certificate of Authority (“COA”) issued by the Insurance Commissioner. GIC is subject to licensing under Article 3, Chapter 33 of the *West Virginia Code*, related legislative rules and the authority of the Commissioner, as a foreign insurance company.

GIC failed to submit a complete renewal application with supporting documents prior to the expiration of its COA as required by *West Virginia Code* §33-3-8. The Tax Audit Unit of the Financial Accounting Division confirmed that GIC paid the applicable fees on February 27, 2021.

By Order dated May 24, 2021 GIC was assessed a civil penalty of Three Thousand Dollars (\$3000.00) for violation of West Virginia Code § 33-3-8, by failing to timely file supporting documents by March 1, 2021 for renewal of GIC's COA.

GIC failed to submit the civil penalty of Three Thousand Dollars (\$3,000.00) within thirty days of the May 24, 2021 Order as required by West Virginia Code § 33-3-11(b). Furthermore, GIC failed to respond to correspondence from the OIC demanding that said civil penalty be paid by July 9, 2021, or that further penalty would be assessed.

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 an insurer, if the insurer 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 GIC violated *West Virginia Code* §33-3-11(b) by failing to pay the previously assessed Three Thousand Dollars (\$3,000.00) penalty within 30 days. It is, therefore, **ORDERED** that the civil penalty previously assessed against GIC in this matter be increased to Ten Thousand Dollars (\$10,000.00) for the aforesaid violations. It is further **ORDERED** that the civil penalty of Ten Thousand Dollars (\$10,000.00) shall be paid within 30 days after notice of this Order.

Pursuant to *West Virginia Code* §33-3-11(b), if GIC 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 *West Virginia Code* §33-2-13, should GIC feel aggrieved by this Order, it may make a written demand to the Commissioner for hearing in this matter. Such demand shall specify the grounds to be relied upon as a basis for the relief to be requested at the hearing.

ENTERED this 21ST day of July, 2021.



James A. Dodrill
Insurance Commissioner