

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

FILED

2021 SEP -9 P 2: 32

*In the Matter of:*

**FIRST SURETY CORPORATION**

OFFICE WEST VIRGINIA  
SECRETARY OF STATE

Administrative Proceeding: 21-IC-02192

ORDER ASSESSING CIVIL PENALTIES

1. The undersigned, James A. Dodrill, the Insurance Commissioner (“Commissioner”) of the State of West Virginia, is charged with enforcing Chapter 33 of the *West Virginia Code*.

2. First Surety Corporation (“FSC”) is a West Virginia domestic stock insurance company licensed to transact the business of fire, marine, casualty and surety insurance in the State of West Virginia under a Certificate of Authority initially issued by the Commissioner on December 31, 2005.

3. §33-33-3(a) of the *West Virginia Code*, as amended, requires that all insurers shall have an annual audit by an independent certified public accountant and shall file an audited financial report with the Commissioner on or before June 1 for the year ending December 31 immediately preceding.

4. FSC requested and was granted two extensions for filing its 2020 audited financial statements, the second extended and most recent due date having been August 1, 2021.

5. On August 25, 2021, some 24 days after the second extended due date, the Commissioner received the 2020 audited financial report and financial statements of FSC.


6. §33-3-11 of the *West Virginia Code*, as amended, provides that that 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, §33-3-11(b) of said *Code* provides that, in lieu of taking such action under §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).

ORDER

**WHEREFORE**, the Commissioner finds and concludes, based upon the foregoing, that FSC has violated §33-33-3(a) of the *West Virginia Code*, as amended, by failing to timely file its 2020 audited financial report by August 1, 2021, and has not been excused from such required timely filing based upon good cause. It is, therefore, **ORDERED** that a civil penalty in the amount of Eight Thousand Dollars (\$8,000.00) be, and it is, hereby, assessed against FSC, for its failure to file its audited financial report as aforesaid, and that such civil penalty shall be paid within 30 days of the entry of this Order. Pursuant to §33-3-11(b) of said *Code*, if and in the event FSC fails to pay such penalties within 30 days after notice of this Order, its license may be subject to revocation or suspension.

**ENTERED** this 9<sup>th</sup> day of September 2021.

  
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James A. Doerrill  
West Virginia Insurance Commissioner