

ARIZONA DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

In the Matter of:

AMERICAN EUROPEAN INSURANCE COMPANY

NAIC CoCode: 23337

2250 Chapel Avenue West, Suite 200
Cherry Hill, NJ 08002

Respondent.

No. 21A-007-INS

CONSENT ORDER

The Arizona Department of Insurance and Financial Institutions (“Department”) alleges that American European Insurance Company (“Respondent”) violated provisions of Title 20, Arizona Revised Statutes (“A.R.S.”). Respondent wishes to resolve this matter without the commencement of formal proceedings, and admits the following Findings of Fact are true, and consents to the entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

1. Respondent is a property and casualty insurer domiciled in New Hampshire. Respondent holds a certificate of authority issued by the Department on June 23, 2017, with lines of business in vehicle, surety, property, and casualty with workers’ compensation insurance.

2. The Market Conduct Annual Statement (“MCAS”) was developed to provide regulators with a uniform system of collecting market-related information to help states monitor the market conduct of insurers. Under MCAS requirements, insurers are required to report their data to the NAIC for centralized storage and analysis by a certain deadline.

The 2018 MCAS

3. Respondent failed to file its 2018 Private Passenger Auto (“PPA”) MCAS for the period January 1, 2018 through December 31, 2018.

1 **The 2019 MCAS**

2 4. On or about December 16, 2019, on behalf of the Department, NAIC issued a 2019 Market
3 Conduct Annual Statement Letter (“MCAS Letter”) to Respondent. The MCAS Letter is designed to
4 remind Respondent of its obligation to submit its MCAS to the Department before the deadline of April
5 30, 2020. The NAIC Market Analysis Procedures (D) Working Group “agreed to a 60-day extension of
6 the 2019 MCAS due date to allow companies to address COVID-19 related issues.”¹ The new deadline
7 to file the 2019 PPA MCAS was June 30, 2020.

8 5. Respondent failed to file its 2019 PPA MCAS which was due on or before June 30, 2020.

9 6. On or about August 4, 2020, the Department sent Respondent an email requesting
10 Respondent’s 2019 PPA MCAS on or before August 14, 2020. Respondent failed to comply.

11 7. On or about August 21, 2020, the Department sent Respondent a second email informing
12 Respondent that the failure to file its PPA MCAS by August 31, 2020 may result in an administrative
13 action against Respondent. Respondent failed to respond or comply with the Department’s notices.

14 8. On or about September 24, 2020, the Department’s representative contacted Respondent by
15 telephone and left a voice message. The Department’s representative advised Respondent of possible
16 commencement of an investigation and issuance of an administrative action if Respondent does not
17 respond by September 25, 2020.

18 9. Respondent filed its Arizona 2019 PPA MCAS on December 7, 2020.

19 **CONCLUSIONS OF LAW**

20 1. The Director has jurisdiction over this matter.

21 2. The Department has authority to request the MCAS data pursuant to A.R.S. §§ 20-142(C),
22 20-156(A), and 20-157(A).

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25 ¹ https://content.naic.org/sites/default/files/national_meeting/D%20Cmte%20Final%20Summer%202020.pdf (last visited October 21, 2020)

1 **CONSENT TO ORDER**

2 1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law and Order.

3 2. Respondent admits to the jurisdiction of the Director of Insurance, State of Arizona, and
4 voluntarily consents to the entry of this Order.

5 3. Respondent is aware of its right to notice and a hearing at which it may be represented by
6 counsel, present evidence and examine witnesses. Respondent irrevocably waives its right to such notice
7 and hearing and to any court appeals relating to this Consent Order.

8 4. Respondent states that no promise of any kind or nature whatsoever, except as expressly
9 contained in this Consent Order, was made to it to induce it to enter into this Consent Order and that it
10 has entered into this Consent Order voluntarily.

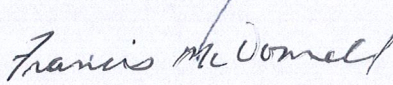
11 5. Respondent acknowledges that the acceptance of this Consent Order by the Director is solely
12 to settle this matter and does not preclude the Department from instituting other proceedings as may be
13 appropriate now or in the future. Furthermore, and notwithstanding any language in this Consent Order,
14 this Consent Order does not preclude in any way any other state agency or officer or political subdivision
15 of this state from instituting proceedings, investigating claims, or taking legal action as may be
16 appropriate now or in the future relating to this matter or other matters concerning Respondent.

17 6. Nachum John Stein represents that he is the President of American European Insurance
18 Company and, as such, is authorized to enter this Consent Order on its behalf.

19 American European Insurance Company

20
21 01/05/2021
22 Date


23 Nachum John Stein, President



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ORIGINAL of the foregoing filed
this ____ day of January, 2021 in the office of:

Evan G. Daniels, Director
Arizona Department of Insurance and Financial Institutions
Attn: Ana Starcevic
100 North 15th Avenue, Suite 261
Phoenix, Arizona 85007
Ana.Starcevic@difi.az.gov

COPY of the foregoing delivered and/or emailed same date to:

Deian Ousounov, Regulatory Legal Affairs Officer
Kurt Regner, Assistant Director
Maria Alior, Assistant Director
Sarah Borunda, Market Conduct Manager
Ana Starcevic, Paralegal Project Specialist

Arizona Department of Insurance and Financial Institutions
100 North 15th Avenue, Suite 261
Phoenix, AZ 85007

COPY of the foregoing transmitted electronically the same date to:

American European Insurance Company
2250 Chapel Avenue West, Suite 200
Cherry Hill, NJ 08002
aeigaccounting@aeiginsurance.com
Respondent

Francine Juarez