



WHEREAS, pursuant to DC Code § 31-2101(a)(2), the Commissioner may make a determination that an insurance company is operating in a hazardous financial condition giving consideration to the National Association of Insurance Commissioners Insurance Regulatory Information System and its other financial analysis solvency tools and reports;

WHEREAS, the RBC Report represents a National Association of Insurance Commissioners financial analysis solvency tool;

WHEREAS, the Respondent's RBC report disclosed an RBC ratio of 180.9% for the filing period ending December 31, 2017, which pursuant to D.C. Official Code § 31-2003 constituted a Company Action Level Event;

WHEREAS, this is the second consecutive year that the Respondent's surplus has constituted a Company Action Level Event;

WHEREAS, the Respondent failed to cure the Company Action Level Event after filing an RBC corrective plan in response to its 2016 RBC report, which triggered a Company Action Level Event;

WHEREAS, the Respondent's premiums written in the District of Columbia increased from \$409,097 for the year of 2015 to \$1,838,694 for the year of 2017;

WHEREAS, the Respondent's RBC report included an "excessive growth charge" in its RBC calculation for both 2016 and 2017;

WHEREAS, the Respondent's actions over the periods covered in these findings raise serious questions as to whether the management possess and can demonstrate the requisite level of competence, fitness, and reputation necessary to comply with the District's insurance laws.

Based on the foregoing determination and findings, it is HEREBY ORDERED that:

1. Respondent shall cease writing and accepting new business in the District of Columbia and shall limit its volume of business in the District of Columbia to renewed policies while this Corrective Order is effective;

2. This Corrective Order is to remain in full force and effect until rescinded.

  
\_\_\_\_\_  
Stephen C. Taylor  
Commissioner

  
\_\_\_\_\_  
Date

### RIGHT TO REQUEST A HEARING


Pursuant to D.C. Official Code § 31-2101(c), an insurer subject to an order may request a hearing to review the order. If a hearing is requested, the Commissioner, or a designee, shall serve a notice of hearing on the insurer, which shall state the time and place, and the conduct, condition or ground upon which the order is based. If a request for a hearing is not received by the Department within thirty (30) days from the date of receipt of the Order, the Respondent's right to a hearing will be deemed waived.

Your request for a hearing should be made in writing and addressed to the Commissioner, Department of Insurance, Securities and Banking, 810 First Street, NE, Suite 701, Washington, DC 20002. A copy of any pleading or other written communication should be addressed to the undersigned attorney of record at the following address: Department of Insurance, Securities and Banking, 810 First Street, NE, Suite 701, Washington, DC 20002.

### CERTIFICATE OF SERVICE

I hereby certify that I caused a copy of the foregoing Corrective Order to be sent by ☐ FedEx, ☒ U.S.P.S. Registered Mail, or ☐ Hand Delivery on April 23, 2018 to:

William W. Furr  
President  
The Paramount Insurance Company  
7101 Milford Industrial Road, Suite A  
Pikesville, MD 21208



Nathaniel Brown  
Chief Examiner

4/23/18

Date