



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

Market Conduct Report

of Canal Insurance Company

June 25, 2025

The Market Conduct Division of the Connecticut Insurance Department examined by survey the market conduct practices of Canal Insurance Company using a sample period of January 1, 2023 through December 31, 2023. The examination survey was limited to Connecticut Insurance business.

Canal Insurance Company domiciled in the State of South Carolina. By authority granted under §38a-15 of the Connecticut General Statutes, this examination survey was conducted by Market Conduct examiners of the State of Connecticut Insurance Department (the Department) at the Department offices in Hartford, Connecticut.

The purpose of the examination survey was to evaluate the Company's market conduct practices in the State of Connecticut. The examiners reviewed the Company's survey response, which included new business, claims, complaints, and underwriting information requested for the examination period.

The Department's findings are as follows:

- (a) (2) Two producers acting as agent of Respondent without the required appointment.

As it relates to the issues listed above, the Company was not in compliance with applicable Connecticut Statutes and Regulations.



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

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IN THE MATTER OF:
CANAL INSURANCE COMPANY:
-----X

DOCKET MC 25-81

STIPULATION AND CONSENT ORDER

It is hereby stipulated and agreed between Canal Insurance Company and the State of Connecticut Insurance Department by and through Andrew N. Mais, Insurance Commissioner to wit:

I

WHEREAS, pursuant to a Market Conduct examination, the Insurance Commissioner alleges the following with respect to Canal Insurance Company:

1. Canal Insurance Company, hereinafter referred to as Respondent, is domiciled in the State of South Carolina and is licensed to transact property and casualty insurance in the State of Connecticut. The NAIC company code number is 10464.
2. From April 1, 2025 through June 20, 2025, the Department conducted an examination of Respondent's market conduct practices in the State of Connecticut covering the period January 1, 2023 through December 31, 2023.
3. During the period under examination, Respondent failed to follow established practices and procedures to ensure compliance with statutory requirements resulting in:
 - (a) (2) Two producers acting as agents of Respondent without the required appointment.
4. The conduct described in paragraph three is in violation of Section 38a-702m of the Connecticut General Statutes constitutes cause for the imposition of a fine or other administrative penalty under Sections 38a-2 and 38a-41 of the Connecticut General Statutes.

II

1. WHEREAS, Respondent admits the allegations in paragraphs three and four of Article I of this Stipulation and Consent Order; and
2. WHEREAS, Respondent agrees to undertake a complete review of its practices and procedures, with respect to those areas of concern, as described in the Market Conduct Report and this Stipulation, so that those areas of concern are compliant with Connecticut Statutes; and
3. WHEREAS, Respondent agrees to provide the Insurance Commissioner with a full report of findings and a summary of actions taken to comply with the requirements of paragraph two of this Section within ninety (90) days of the date of this document; and
4. WHEREAS, Respondent agrees to pay a fine in the amount of \$3,000.00 for the violations described herein; and
5. WHEREAS, Respondent, being desirous of terminating administrative action without the necessity of a formal hearing or further litigation, does consent to the making of this Consent Order and voluntarily waives:
 - a. any right to notice and a hearing; and
 - b. any requirements that the Insurance Commissioner's decision contain a statement of findings of fact and conclusions of law; and
 - c. any and all rights to object to or challenge before the Insurance Commissioner or in any judicial proceeding any aspect, provision or requirement of this Stipulation

NOW THEREFORE, upon the consent of the parties, it is hereby ordered and adjudged:

1. That the Insurance Commissioner has jurisdiction of the subject matter of this administrative proceeding.
2. That Respondent is fined the sum of Three Thousand Dollars (\$3,000.00) for the violation herein above described.

Canal Insurance Company

By: 
Andrew Colvin
Vice President, General Counsel & Corporate Secretary

CERTIFICATION

The undersigned deposes and says that she/he has duly executed this Stipulation and Consent Order on this 14th day of July, 2025, for and on behalf of Canal Insurance Company; that he is the Vice President, General Counsel & Corporate Secretary of such company, and he has authority to execute and file such instrument.

By: 
Andrew Colvin
Vice President, General Counsel & Corporate Secretary

STATE OF SOUTH CAROLINA

SS

COUNTY OF GREENVILLE

On the 14TH day of July, 2025, before me personally appeared Andrew Colvin, sealer of the foregoing Stipulation and Consent Order, acknowledged same to be his act and deed.

 My Commission Expires
April 22, 2029
Notary Public/Commissioner of The Superior Court

Section Below To Be Completed by State of Connecticut Insurance Department

Dated at Hartford, Connecticut this 22nd day of July 2025.


Andrew N. Mais
Insurance Commissioner