

1 NIKKI S. MCKENNEDY (SBN 184269)  
2 MELISSA A. WURSTER (SBN 198899)  
3 DUNCAN E. MONTGOMERY (SBN 176138)  
4 CALIFORNIA DEPARTMENT OF INSURANCE  
5 1901 Harrison Street, Sixth Floor  
6 Oakland, CA 94612  
7 Tel: (415) 538-4162  
8 Fax: (510) 238-7829  
9 Email: [nikki.mckennedy@insurance.ca.gov](mailto:nikki.mckennedy@insurance.ca.gov)  
10 [melissa.wurster@insurance.ca.gov](mailto:melissa.wurster@insurance.ca.gov)  
11 [duncan.montgomery@insurance.ca.gov](mailto:duncan.montgomery@insurance.ca.gov)

12 *Attorneys for The California Department of Insurance*

13 **BEFORE THE INSURANCE COMMISSIONER**  
14 **OF THE STATE OF CALIFORNIA**

15 In the Matter of the Rating and  
16 Underwriting Practices and Procedures of  
17  
18 TRANS PACIFIC INSURANCE  
19 COMPANY,  
20  
21 Respondent.

22 File No. NC-2025-00020

23 SETTLEMENT STIPULATION AND  
24 CONSENT TO ORDER; [PROPOSED]  
25 CONSENT ORDER

26 The DEPARTMENT OF INSURANCE OF THE STATE OF CALIFORNIA (the  
27 “Department”) and TRANS PACIFIC INSURANCE COMPANY (“Respondent”) (collectively  
28 the “Parties”), stipulate as follows:

1. The Department has jurisdiction over Respondent, a licensed, admitted insurer in the state of California.

2. At all relevant times, Respondent transacted the business of insurance in California on risks or lines subject to the provisions of the California Insurance Code (“Insurance Code”) and the California Code of Regulations (“Regulations”).

3. On or about May 16, 2025, Respondent submitted a rate, rule, and form filing (CDI No. 25-935/SERFF No. WESA-134537210) to the Department’s Rate Regulation Branch (RRB) in order to effectuate a planned withdrawal from the personal lines market, including Respondent’s private passenger automobile (PPA) program.

4. Also on or about May 16, 2025, Respondent submitted an Application to Amend

1 its Certificate of Authority (UCAA No. 1001154) to the Department’s Corporate Affairs Bureau  
2 (CAB) in order to delete the automobile class of insurance from Respondent’s certificate of  
3 authority. Respondent paid the application fee on or about May 20, 2025, and provided an  
4 additional form to complete its application on or about May 27, 2025.

5 5. As set forth in the Notice of Noncompliance and based upon its review of  
6 Respondent’s filings and additional information supplied by Respondent, the Department is  
7 informed and believes and thereupon alleges that Respondent violated Insurance Code section  
8 1861.03(c)(1) by issuing nonrenewal notices to its PPA customers before Respondent had filed a  
9 complete application to amend its certification of authority as required by *Travelers Indemnity*  
10 *Co. v. Gillespie* (1990) 50 Cal.3d 82, 103 and *Dairyland Ins. Co. v. Gillespie* (1990) 223  
11 Cal.App.3d 1229, 1235.

12 6. Respondent acknowledges receipt of the Notice of Noncompliance in this matter,  
13 which includes all issues relevant to this matter. Having fully reviewed the alleged violations of  
14 the California Insurance Code set forth in the Notice of Noncompliance in this matter,  
15 Respondent hereby voluntarily and willingly enters into this Settlement Stipulation and Consent  
16 Order (“Stipulation”) with the Insurance Commissioner of the State of California (hereafter  
17 “Commissioner”), as a means of achieving a full and final resolution of the allegations set forth  
18 in the Notice of Noncompliance, in lieu of an evidentiary hearing and decision.

19 7. Respondent has met and conferred with the Department regarding the facts and  
20 circumstances giving rise to the allegations and Respondent’s actions, including as set out in the  
21 Notice of Noncompliance.

22 8. The Parties believe it is in the public interest to resolve this matter without the  
23 need for a hearing or any other administrative action.

24 9. Respondent has agreed to take the following steps with respect to its nonrenewal  
25 practices:

- 26 a. Respondent shall pay a penalty of \$50,000 within 30 days of receiving an invoice  
27 from the Department with payment instructions; and
- 28 b. Respondent shall transact all future insurance business in compliance with all

1 applicable provisions of the Insurance Code and the California Code of  
2 Regulations.

3 10. Other than as set forth in this Stipulation, the Parties agree no factual findings or  
4 legal conclusions have been made.

5 11. Respondent denies the allegations contained in the Notice of Noncompliance and  
6 by entering into this stipulated agreement, memorialized by this Stipulation, Respondent makes  
7 no admission of liability, wrongdoing, or violation of law.

8 12. Respondent waives its rights to a hearing and any and all rights to which it may be  
9 entitled pursuant to Chapter 5, Part 1, Division 3, Title 2, (Sections 11500-11529 of the California  
10 Government Code), and by Insurance Code Section 1858.1.

11 13. This Stipulation includes all acts related to Respondent's alleged actions and  
12 inactions that led the Department to issue the Notice of Noncompliance. Nothing in this  
13 Stipulation precludes the Department from pursuing other action against Respondent based upon  
14 conduct that is not related to Respondent's alleged actions and inactions described herein and in  
15 the Notice of Noncompliance.

16 14. The Parties intend this Stipulation to be an integrated writing representing the  
17 complete, final, and exclusive embodiment of their agreement. It supersedes any and all prior or  
18 contemporaneous agreements, understandings, discussions, negotiations, and commitments  
19 (written or oral). This Stipulation may not be amended, modified, supplemented, or otherwise  
20 changed, except by a writing executed by an authorized representative of each of the parties.

21 15. Respondent acknowledges that this Stipulation is a public record as required by  
22 Government Code Section 11517(d), and that this Stipulation will be accessible to the public  
23 pursuant to the California Public Records Act, Government Code Sections 6250 *et seq.* The  
24 Stipulation will be posted on the Department's Internet website pursuant to Insurance Code  
25 Section 12968.

26 16. Respondent acknowledges that Insurance Code Section 12921(b)(1) requires the  
27 Insurance Commissioner of the State of California ("Commissioner") to approve the final  
28 settlement of this matter. Both the settlement terms and conditions in this Stipulation and the

1 acceptance of those terms and conditions are contingent upon the Commissioner's approval,  
2 which shall be evidenced and memorialized by the Commissioner's execution of the PROPOSED  
3 CONSENT ORDER set forth below. By signing the Stipulation, Respondent understands and  
4 agrees that it may not withdraw its agreement or rescind the Stipulation prior to the time the  
5 Commissioner considers and acts upon the Stipulation and Proposed Consent Order. If the  
6 Commissioner rejects the Stipulation and does not execute the proposed Consent Order, the  
7 Stipulation shall be of no force and effect except for this paragraph, and it shall be inadmissible  
8 in any legal action between the Parties. Any dispute over the admissibility, or lack thereof, of the  
9 rejected stipulation and any related drafts or communications regarding settlement shall be  
10 governed by applicable provisions of the California Insurance Code and related regulations, the  
11 California Evidence Code, and any other applicable California law or regulation.

12 17. This Stipulation represents a full, final, and complete resolution and settlement of  
13 all issues raised in the Notice of Noncompliance between the Department and the Respondent and  
14 supersedes and replaces prior negotiations, communications, or agreements on the subject matter  
15 of this Stipulation. This Stipulation may not be modified unless agreed in a writing executed by  
16 all parties and approved by an Order of the Commissioner.

17 18. This Stipulation will become final and effective only when it is approved and  
18 expressly adopted by the Commissioner as evidenced by the execution of the Order below.

19 19. Discussions, admissions, concessions, or offers to stipulate or settle made by any  
20 party in negotiating this Stipulation are not discoverable, shall remain confidential, and shall not  
21 be admissible for any purpose in any proceeding unless so authorized by a judicial officer (e.g.,  
22 Administrative Law Judge or California Superior Court Judge) in compliance with applicable  
23 California laws and regulations, and in no instance are to be used as evidence of any  
24 noncompliance or wrongdoing on the part of the Respondent.

25 20. The Department and Respondent have participated jointly in the negotiation and  
26 drafting of this Stipulation, and, in the event an ambiguity or question of intent or interpretation  
27 arises, this Stipulation shall be construed as jointly drafted by the Parties hereto, and no  
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1 presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the  
2 authorship of any provision of this Agreement.

3 21. Neither this Stipulation nor any executed Consent Order constitutes a limitation  
4 upon or a waiver of the rights and powers of the Commissioner to enforce any California law, to  
5 examine the rating, underwriting, and/or any other business practices of Respondent, to take  
6 corrective or disciplinary action, to assess penalties against Respondent as provided for by law,  
7 or to take such other action as necessary to protect the public based upon conduct that is not  
8 addressed in the Notice of Noncompliance, this Stipulation, and any executed Consent Order.

9 22. This Agreement may be executed in counterparts, each of which shall be deemed  
10 to be an original but all of which taken together shall constitute one and the same agreement and  
11 shall only become effective when counterparts have been signed and delivered by each of the  
12 Parties to the Department. In the event that any signature is delivered by facsimile transmission  
13 or by e-mail delivery of a “.pdf” format data file, such signature shall create a valid and binding  
14 obligation of the Party executing (or on whose behalf such signature is executed) with the same  
15 force and effect as if such facsimile or “.pdf” signature page were an original thereof.

16 23. Respondent acknowledges that it freely and voluntarily executed this Stipulation  
17 with full realization of its legal rights.

18 24. The Commissioner retains jurisdiction to ensure that the Parties comply with the  
19 provisions and terms of this Stipulation and the Order requested thereon.

20 25. The undersigned represent and warrant under the penalty of perjury under the laws  
21 of the State of California that they have full and complete authority to enter into this Stipulation  
22 and bind the party on whose behalf they are signing to all of the terms of this Stipulation.

23 ////

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27 ////

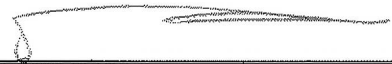
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**IT IS SO STIPULATED.**

Dated: March 8 2026  
*April*

TRANS PACIFIC INSURANCE COMPANY

By   
Name *Steven Goldstein*  
Title *EVP Tokyo marine management, manager*

Dated: April 8, 2026

CALIFORNIA DEPARTMENT OF INSURANCE

By *Melissa A. Wurster*  
Melissa Wurster  
Staff Counsel

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**BEFORE THE INSURANCE COMMISSIONER  
OF THE STATE OF CALIFORNIA**

In the Matter of the Rating and Underwriting Practices and Procedures of the  
  
TRANS PACIFIC INSURANCE COMPANY,  
  
Respondent.

File No. NC-2025-00020

**ORDER ADOPTING STIPULATION AND  
CONSENT ORDER**

**CONSENT ORDER**

Having reviewed the parties' Stipulation and good cause appearing, I approve the terms of the Stipulation and adopt and incorporate those terms by reference as though fully set forth herein as the Order of the Insurance Commissioner of the State of California in this matter, and order as follows:

Respondent shall take the following steps with respect to its nonrenewal practices:

- a. Respondent shall pay a penalty of \$50,000 within 30 days of receiving an invoice from the Department with payment instructions; and
- b. Respondent shall transact all future insurance business in compliance with all applicable provisions of the California Insurance Code and the California Code of Regulations.

IT IS SO ORDERED.

Dated: May 22, 2026

*Ricardo Lara*  
RICARDO LARA  
California Insurance Commissioner