No. **2026-10014**

Official Order
of the
Texas Commissioner of Insurance

Date: 07/08/2026

Subject Considered:

Centauri Specialty Insurance Company
4081 Lakewood Ranch Blvd. N. Ste. 200
Lakewood Ranch, FL 34240-8548

Consent Order
TDI Enforcement File No. 37118

General remarks and official action taken:

This is a consent order with Centauri Specialty Insurance Company (Centauri). Centauri failed to comply with a consent order issued by the commissioner by failing to timely calculate, pay, and report restitution as ordered. Centauri has since paid and reported the restitution, and agrees to pay an administrative penalty of $140,000.

Waiver

Centauri acknowledges that the Texas Insurance Code and other applicable law provide certain rights. Centauri waives all of these rights, and any other applicable procedural rights, in consideration of the entry of this consent order.

Findings of Fact

1. Centauri is a foreign fire and casualty company holding a certificate of authority to transact business in the state of Texas.

Prior Discipline and Background

2. On September 12, 2024, the commissioner issued Official Order No. 2024-8813 against Centauri, by consent, for violations found during a market conduct examination of Centauri's homeowners line of business produced through two managing general agencies (MGAs), affiliate Centauri Specialty Managers, Inc. (CSM), and the unaffiliated, Arrowhead General Insurance Agency, Inc. (Arrowhead). During the examination period, Centauri was an indirect subsidiary of AU Holding Company, Inc.

3. In Order No. 2024-8813, the commissioner concluded, among other things, that Centauri failed to pay claims not later than the fifth business day after the date it notified the claimant that it would pay all or part of the claim, and failed to pay statutory interest at the rate of 18% a year on its late-paid claims, in violation of TEX. INS. CODE §§ 542.057(a), 542.058(a), and 542.060.

4. Order No. 2024-8813 required Centauri to pay an administrative penalty of $200,000, and to make complete restitution, specifically to pay all statutory interest to defined Qualifying Claimants which Centauri or any of its MGAs failed to pay on late-paid, first-party, homeowners insurance claims.

5. Order No. 2024-8813 also required Centauri to mail restitution checks and/or issue account credits to Qualifying Claimants within 60 days of the Order, on or before November 11, 2024. Furthermore, Centauri was required to report to TDI the restitution paid in an electronic spreadsheet containing specified elements, within 180 days of the Order, on or before March 11, 2025.

Failure to Comply with Commissioner Order

6. TDI did not receive the electronic spreadsheet from Centauri by March 11, 2025.

7. On March 25, 2025, TDI sent a warning letter to Centauri that it may be violating Order No. 2024-8813 and requested that Centauri submit proof of restitution payments within 14 days.

8. On April 8, 2025, Centauri late-submitted a spreadsheet to report to TDI what it purported was the restitution due and owing under Order No. 2024-8813, in the amount of $18,141.31, but the spreadsheet did not contain all information required by Order No. 2024-8813.

9. In that spreadsheet, Centauri:

   a. failed to include the requisite reporting information about one of its MGAs, Arrowhead; and,

   b. admitted that the ordered restitution was not paid to the Qualifying Claimants under CSM's policies until April 7, 2025, over four months late.

10. Due to concerns with the restitution calculations, TDI requested copies of seven claim files listed and found that in 71% (5 of 7) of those claim files reviewed, documents showed Centauri accepted liability on an earlier date than was listed in Centauri's spreadsheet, meaning that Centauri incorrectly calculated the statutory interest and shorted the restitution due to those Qualifying Claimants.

11. TDI notified Centauri, and on March 25, 2026, Centauri issued supplemental restitution payments of $4,576.16, but only to those five Qualifying Claimants, without reviewing the other claims in the spreadsheet.

12. Centauri failed to comply with Order No. 2024-8813 by failing to timely identify, properly calculate, and pay statutory interest to the Qualifying Claimants, as defined in that order.

Mitigating Circumstances

13. On March 26, 2026, Centauri acknowledged the need to review its first-party claims for homeowners policies produced by Arrowhead and represented that the review of its first-party claims for homeowners policies produced by Arrowhead would be complete on April 30, 2026.

14. On April 30, 2026, Centauri submitted another spreadsheet to TDI reporting restitution paid to Qualifying Claimants under the policies produced by Arrowhead and representing that it also reviewed the restitution calculations for the Qualifying Claimants under CSM policies.

15. In this new spreadsheet, Centauri represents that it:

a. recalculated and paid additional statutory interest to 42 Qualifying Claimants under CSM policies, which resulted in supplemental restitution paid in late March and April 2026; and,

b. paid statutory interest on April 20, 2026, and May 1, 2026, to 21 Qualifying Claimants under Arrowhead policies.

16. Centauri represents that in total, it has correctly calculated statutory interest and paid all restitution due and owing under Order No. 2024-8813 to the Qualifying Claimants under both CSM and Arrowhead policies in the total amount of $41,432.37.

17. Centauri further represents that:

a. in 2025, it conducted a targeted training session regarding Texas claims handling requirements for all claims handling staff; and

b. in 2026, it developed and implemented:

i. a statutory interest calculator to ensure accurate calculations on all interest payments to Texas claimants; and
ii. a comprehensive compliance handbook for claims adjusters covering critical deadlines, penalty provisions, issue escalation procedures, and guidance on avoiding common errors.

Conclusions of Law

1. The commissioner has jurisdiction over this matter under TEX. INS. CODE §§ 82.051–82.055, 84.021–84.044, 542.002(2), and 801.051-801.053; and TEX. GOV'T CODE § 2001.051-2001.178.

2. The commissioner has the authority to informally dispose of this matter as set forth in TEX. GOV'T CODE § 2001.056, and TEX. INS. CODE §§ 36.104 and 82.055.

3. Centauri has knowingly and voluntarily waived all procedural rights to which it may have been entitled regarding the entry of this order, including, but not limited to, issuance and service of notice of intention to institute disciplinary action, notice of hearing, a public hearing, a proposal for decision, rehearing by the commissioner, and judicial review.

4. Centauri failed to comply with an order issued by the commissioner, as contemplated by TEX. INS. CODE § 82.054.

5. Centauri violated TEX. INS. CODE § 82.053 by failing to make restitution in the form and amount and within the period determined by the commissioner.

6. Centauri violated TEX. INS. CODE §§ 542.058(a) and 542.060(a) by failing to pay statutory interest on late-paid claims.

Order

It is ordered that Centauri Specialty Insurance Company pay an administrative penalty of $140,000 within 30 days from the date of this order. The administrative penalty must be paid as instructed in the invoice, which the department will send after entry of this order.

Signed by:
Amanda Crawford
FE10434BC41A470...

Amanda Crawford
Commissioner of Insurance

Recommended and reviewed by:

Leah Gillum

Leah Gillum, Deputy Commissioner
Fraud and Enforcement Division

A Kalapach

Anna Kalapach, Staff Attorney
Enforcement

2026-10014

Affidavit

STATE OF NEW YORK §
§
COUNTY OF NEW YORK §

Before me, the undersigned authority, personally appeared SIDDHARTHA JHA, who being by me duly sworn, deposed as follows:

"My name is SIDDHARTHA JHA. I am of sound mind, capable of making this statement, and have personal knowledge of these facts which are true and correct.

I hold the office of CEO and am the authorized representative of Centauri Specialty Insurance Company. I am duly authorized by said organization to execute this statement.

Centauri Specialty Insurance Company has knowingly and voluntarily entered into the foregoing consent order and agrees with and consents to the issuance and service of the same by the commissioner of insurance of the State of Texas."

Affiant

SWORN TO AND SUBSCRIBED before me on 22nd day of June, 2026.

(NOTARY SEAL)

DAVID ABRAHAM
Notary Public, State of New York
No. 02AB6098337
Qualified in Queens County
Commission Expires ~~9/22/11~~ 10/25/2027

Signature of Notary Public

David Abraham
Printed Name of Notary Public