



COMMONWEALTH OF MASSACHUSETTS
Office of Consumer Affairs and Business Regulation
DIVISION OF INSURANCE

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AND BUSINESS REGULATION

GARY D. ANDERSON
COMMISSIONER OF INSURANCE

April 20, 2022

Explorica, Inc.
Christi Carel
101 Federal St., Suite 900
Boston, Massachusetts 02110

RE: Explorica, Inc. - SIU Investigation No. 9778

Dear Ms. Carel:

I represent the Massachusetts Division of Insurance ("Division") with regard to the above-captioned investigation. Pursuant to an investigation conducted by the Division's Special Investigations Unit, the Division has cause to believe that Explorica, Inc. ("Explorica") has violated the Massachusetts insurance laws set forth below by the conduct detailed in this settlement letter.

According to Division licensing records the resident business entity producer license for Explorica expired for nonrenewal on or about March 15, 2019 and was not renewed until May 31, 2019.

Subsequently, you were contacted by the Division and asked to provide the total number of new policies issued (both new business and renewals), the amount of premium received and the amount of commissions received during the unlicensed period from March 15, 2019 to May 31, 2019. According to the information you provided in a letter dated February 7, 2020, Explorica enrolled 245 participants in a travel protection plan during the unlicensed period for a cost of \$33,036 and generated commissions totaling \$9,832.70.

The Division alleges that Explorica committed at least 245 violations of M.G.L. c. 175, § 175 by acting as a business entity insurance producer without being licensed. The penalty for each

violation is a fine of not less than ten nor more than one hundred dollars. The Division also alleges that each violation of M.G.L. c. 175, § 175 is a violation of M.G.L. c. 175, § 162R(a)(2). The penalty for each violation of M.G.L. c. 175, § 162R(a)(2) is a fine of not more than \$1,000.00 pursuant to M.G.L. c. 176D, § 7 and having the agency's Massachusetts business entity insurance producer license placed on probation, suspended or revoked.

The Division proposes to resolve this matter through a settlement if Explorica agrees to waive the right to a public hearing, agree to cease and desist from the above-alleged conduct and **agree to pay a fine of \$2,500**. If Explorica chooses to accept the Division's offer, please have an authorized individual sign this settlement letter where provided below and return it to my attention along with a check made payable to the Commonwealth of Massachusetts, no later than **May 10, 2022**.

The Division considers the acceptance of this settlement to constitute a reportable administrative event which should be included on Explorica's next Massachusetts business entity producer license renewal application. Explorica also may be required to report this action in other jurisdictions where it holds a business entity insurance producer license. This Agreement shall be construed under and governed by the laws of the Commonwealth of Massachusetts.

Although this correspondence does not constitute the required statutory notice of a public hearing, if this matter is not resolved by **May 10, 2022**, the Division intends to file its Order to Show Cause and will notify Explorica of the hearing date.

Thank you for your prompt attention to this matter. Should you have any questions or wish to discuss this matter further, I may be reached at Matthew.Burke@mass.gov.

Sincerely,



Matthew M. Burke
Counsel to the Commissioner

SIGNED: Representative of:
Explorica, Inc.

NAME: Paul Jenkins

SIGNATURE: Paul Jenkins

TITLE: General Counsel & Secretary

DATE: May 31, 2022