

BEFORE THE DIVISION OF INSURANCE
DEPARTMENT OF LABOR AND REGULATION
STATE OF SOUTH DAKOTA

IN THE MATTER OF AMERICAN FAMILY)	
MUTUAL INSURANCE COMPANY AND)	CONSENT ORDER
AMERICAN STANDARD INSURANCE COMPANY)	

In resolution of the above matter and in lieu of issuance of a Notice of Hearing and a formal hearing, the undersigned parties do hereby agree to the following:

AMERICAN FAMILY MUTUAL INSURANCE COMPANY, and AMERICAN STANDARD INSURANCE COMPANY (hereinafter the "COMPANIES"), whose mailing address of record is 6000 American Parkway, Madison, Wisconsin 53783 are insurance companies licensed to transact business in the State of South Dakota;

The COMPANIES are aware the South Dakota Division of Insurance ("Division") has conducted an investigation;

The Division alleges the following with regard to the COMPANIES:

- 1) In 14 instances, the COMPANIES charged a premium in excess of the approved rate to households with a moving violation;
- 2) The COMPANIES self-reported the above conduct and represent they have corrected the violations;
- 3) Due to the above, the COMPANIES issued policies not in accordance with their filings in violation of SDCL § 58-24-25;
- 4) The above-cited violation provides grounds for the revocation or suspension of either of the COMPANIES' certificates of authority in South Dakota pursuant to SDCL § 58-6-46.

The COMPANIES are aware of and understand the nature of the allegations and have been informed of their right to a Notice of Hearing, counsel and appeal and that by agreeing to sign this Consent Order, waives these rights;

In return for the COMPANIES agreeing to the provisions of this Consent Order, the Division agrees not to proceed to hearing and agrees that this Consent Order will constitute an informal disposition of this licensing matter pursuant to SDCL § 1-26-20;

The COMPANIES agree to pay \$2,500 pursuant 58-4-28.1, in lieu of an license revocation, administrative hearing, and final decision;

The COMPANIES further agree to conduct themselves in accordance with the insurance laws and regulations of the State of South Dakota;

The COMPANIES further agree this Consent Order may be considered for the purpose of determining the appropriate sanction in any future actions with the Division for any violations of the laws or regulations of the State of South Dakota or for failing to abide by any order of the Director;

The COMPANIES waive their right to contest the allegations contained in this Consent Order in any future actions or licensing procedures;

Wherefore, good cause appearing from the foregoing, it is hereby ORDERED that the COMPANIES pay a monetary penalty in the amount of \$2,500 payable to "South Dakota Division of Insurance" for deposit in the general fund of the State of South Dakota; and it is further

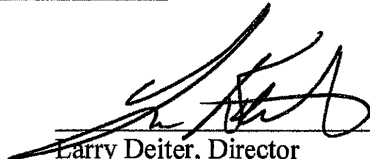
ORDERED that the COMPANIES abide by the agreements made by them in this Consent Order; and it is further

ORDERED that should the COMPANIES fail to comply with the provisions of this Order, the Division may seek the suspension or revocation of the COMPANIES' licenses at hearing pursuant to SDCL § 58-6-46, or seek other remedies available at law; and it is further

ORDERED that the use of this Consent Order for competitive purposes by an insurance agent or third-party administrator holding a license in the State of South Dakota, or by any company holding a Certificate of Authority, or by anyone on their behalf, may be deemed unfair competition and be grounds for suspension or revocation of said license or authority; and it is further

ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order.


Dated at Pierre, South Dakota this 13th day of December, 2015.



Larry Deiter, Director
South Dakota Division of Insurance

The undersigned, on behalf of the COMPANIES, represents it understands the terms of this Consent Order and the waiver of its due process rights and voluntarily enter into this Consent Order.

Dated this 14th day of December, 2015.



Signature of Authorized Representative
Scott J. Seymour

Printed Name
Vice President, Corp Legal + Regulatory Affairs

Title