

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

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|-------------------------|---|---------------|
| IN THE MATTER INDEMNITY |) | CONSENT ORDER |
| INSURANCE COMPANY OF |) | |
| NORTH AMERICA |) | |

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:

INDEMNITY INSURANCE COMPANY OF NORTH AMERICA ("INDEMNITY"), whose address of record is Ace North American Claims Finance 1 Beaver Valley Road, 4 East, Wilmington, DE 19803 is an insurance company holding a certificate of authority to transact business in the State of South Dakota;

INDEMNITY is aware that the South Dakota Division of Insurance ("Division") has conducted an investigation of its insurance-related activities in South Dakota;

The Division has alleged the following:

- 1) INDEMNITY failed to timely file First Report of Injury forms concerning state claim numbers 1487605, 1453927, and 1453478 in violation of SDCL § 62-6-3;
- 2) INDEMNITY was the subject of several previous warnings for violations of § 62-6-3;
- 3) Any of the above-cited conduct provides grounds for the revocation or suspension of INDEMNITY's certificate of authority in South Dakota pursuant to SDCL § 58-6-46;

INDEMNITY is aware of and understands the nature of the charges and has been informed that it has the right to notice, hearing, and appeal, and that by agreeing to and signing this Consent Order waives these rights;

In return for INDEMNITY 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 matter pursuant to SDCL § 1-26-20;

INDEMNITY agrees to a monetary penalty in the amount of \$5,000 pursuant to SDCL § 58-4-28.1, in lieu of contesting this matter formally; and

INDEMNITY further agrees to conduct itself in accordance with the insurance laws and regulations of the State of South Dakota;

INDEMNITY further agrees that 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;

Wherefore, good cause appearing from the foregoing, it is hereby ORDERED that INDEMNITY pay a monetary penalty in the amount of \$5,000 payable to "South Dakota Division of Insurance" for deposit in the general fund of the State of South Dakota; and it is further

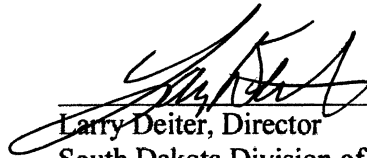
ORDERED that should INDEMNITY fail to comply with the provisions of this Order, the Division may seek the suspension or revocation of INDEMNITY's Certificate of Authority at hearing pursuant to SDCL § 58-6-46, or seek other remedies available at law; and it is further

ORDERED that INDEMNITY abide by the agreements made by it in this Consent Order; 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.

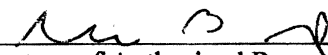
Dated at Pierre, South Dakota this 22nd day of November, 2016.



Larry Deiter, Director
South Dakota Division of Insurance

The undersigned, on behalf of INDEMNITY, 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 16 day of November, 2016.



Signature of Authorized Representative

Richard Raup

Printed Name

VP, Vendor Management

Title