

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

IN THE MATTER OF)	
PATHFINDER INSURANCE)	CONSENT ORDER
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:

PATHFINDER INSURANCE COMPANY, whose address of record is 25500 E. 78th Ave., Denver, CO 80249, is an insurance company holding a certificate of authority to transact business in the State of South Dakota;

PATHFINDER INSURANCE COMPANY 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) PATHFINDER INSURANCE COMPANY, failed to respond to a Division inquires consisting of an invoice and for a South Dakota Fraud Assessment Fee, dated May 21, 2012, and an additional Division letter, dated July 10, 2012, in violation of SDCL §§ 58-33-66 and 58-33-68;
- 2) PATHFINDER INSURANCE COMPANY failed to timely remit the invoiced South Dakota Fraud Assessment Fee in violation of SDCL § 58-4A-14;
- 3) PATHFINDER INSURANCE COMPANY, failed to respond to the South Dakota Insurance Guaranty Association's inquires consisting of a Notice of Assessment, dated May 29, 2012, and a Past Due Notice of Assessment, dated August 17, 2012;
- 4) PATHFINDER INSURANCE COMPANY failed to timely remit the invoiced SDIGA Administrative Assessment in violation of SDCL § 58-29A-76;
- 5) The above-cited conduct may be grounds for the revocation or suspension of PATHFINDER INSURANCE COMPANY's certificate of authority pursuant to SDCL § 58-6-46;

PATHFINDER INSURANCE COMPANY 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 PATHFINDER INSURANCE COMPANY 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;

PATHFINDER INSURANCE COMPANY agrees to a monetary penalty in the amount of \$2,500 pursuant to SDCL § 58-4-28.1, in lieu of contesting this matter formally; and

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

By signing this Consent Order, PATHFINDER INSURANCE COMPANY neither admits to nor denies any violation of the laws of this state;

PATHFINDER INSURANCE COMPANY 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 PATHFINDER INSURANCE COMPANY 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 PATHFINDER INSURANCE COMPANY submit the invoiced South Dakota Fraud Assessment Fee of \$250 in a separate check and remitted with the completed Consent Order; and it is further

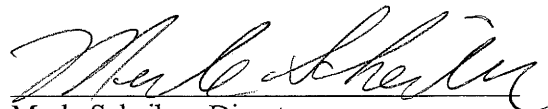
ORDERED that PATHFINDER INSURANCE COMPANY submit the invoiced SDIGA Administrative Assessment of \$150, plus interest and/or penalties as prescribed by the SDIGA, in a separate check and remitted to the SDIGA within 20 days of signing this Consent Order; and it is further

ORDERED that should PATHFINDER INSURANCE COMPANY fail to comply with the provisions of this Order, the Division may seek the suspension or revocation of PATHFINDER INSURANCE COMPANY's Certificate of Authority at hearing pursuant to SDCL § 58-6-46, or seek other administrative action or 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.

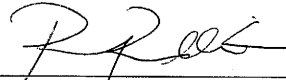
Dated at Pierre, South Dakota this 1st day of November, 2012.


Merle Scheiber, Director
South Dakota Division of Insurance

[Pathfinder signature block and waiver follows]

The undersigned, on behalf of PATHFINDER INSURANCE COMPANY, 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 26th day of October, 2012.



Signature of Authorized Representative

Patti Pallito

Printed Name

Vice President

Title