

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

IN THE MATTER OF ALLIED
SPECIALTY INSURANCE, INC.

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)

CONSENT ORDER

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:

ALLIED SPECIALTY INSURANCE, INC. ("ALLIED SPECIALTY"), whose address of record is 10451 Gulf Boulevard, Treasure Island, FL 33706, holds a business entity license in the State of South Dakota;

ALLIED SPECIALTY is aware that the South Dakota Division of Insurance ("Division") has conducted an investigation;

The South Dakota Division of Insurance alleges the following with regard to ALLIED SPECIALTY:

- 1) ALLIED SPECIALTY was the subject of a June 10, 2013 administrative action in the State of North Carolina which was not reported to the Division within 30 days in violation of SDCL § 58-30-193;
- 2) ALLIED SPECIALTY has been warned by the Division on two previous occasions to timely disclose administrative actions;
- 3) Pursuant to SDCL §§ 58-30-167(2) and 58-30-193, the Director of the South Dakota Division of Insurance may revoke or suspend ALLIED SPECIALTY 's business entity license for the above-cited reasons.

ALLIED SPECIALTY is aware of and understands the nature of the allegations and has been informed that it has the right to a Notice of Hearing, counsel and appeal and that by agreeing to sign this Consent Order, waives these rights;

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

By the execution of this Consent Order and the payment of a penalty pursuant to this Consent Order, ALLIED SPECIALTY waives its right to contest the allegations contained in this Consent Order in any future actions or licensing procedures with the Division;

ALLIED SPECIALTY agrees to pay \$2,500 pursuant to SDCL §§ 58-30-167 and 58-4-28.1, in lieu of an administrative hearing and Final Decision;

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

ALLIED SPECIALTY 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;

ALLIED SPECIALTY waives its 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 ALLIED SPECIALTY 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 ALLIED SPECIALTY 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

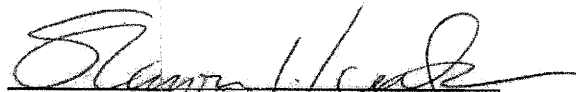
ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order.

Dated at Pierre, South Dakota this 27th day of November, 2013.


Merle Scheiber, Director
South Dakota Division of Insurance

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

Dated this 4th day of November, 2013.


Signature of Authorized Representative

Sharon L. Keefe
Printed Name

COO
Title