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

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:

SENTINEL INSURANCE COMPANY, LTD ("SENTINEL INSURANCE"), whose address of record is One Hartford Plaza, Hartford, CT 06155, is an insurance company holding a certificate of authority to transact business in the State of South Dakota;

SENTINEL INSURANCE 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 with regards to SENTINEL INSURANCE:

- 1) SENTINEL INSURANCE failed to remit assessments from the South Dakota Insurance Guaranty Association in violation of SDCL §§ 58-29A-75 and 58-29A-78;
- 2) The above-cited conduct constitutes grounds for the revocation or suspension of SENTINEL INSURANCE's certificate of authority pursuant to SDCL § 58-6-46 and 58-29A-91;

SENTINEL INSURANCE 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 SENTINEL INSURANCE 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;

SENTINEL INSURANCE 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

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

SENTINEL INSURANCE further agrees that this Consent Order may be considered in any future licensing procedures with the Division and 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 SENTINEL INSURANCE 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 remitted with this Consent Order; and it is further

ORDERED that SENTINEL INSURANCE pay the SDIGA assessments as noticed on July 15, 2013 with applicable interest as determined by the SDIGA by the time this Consent Order is signed by SENTINEL INSURANCE; and it is further

ORDERED that should SENTINEL INSURANCE fail to comply with the provisions of this Order, the Division may seek the suspension or revocation of SENTINEL INSURANCE's Certificate of Authority at hearing pursuant to SDCL §§ 58-6-46 and 58-29A-91, 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 thirdparty 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 23 day of December

Merie Scheiber, Director

South Dakota Division of Insurance

The undersigned, on behalf of SENTINEL INSURANCE, 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 17th day of Procure , 20

Signature of Authorized Representative

Name of Authorized Representative

Litle