

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

IN THE MATTER OF TWIN)
CITY FIRE 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:

TWIN CITY FIRE INSURANCE COMPANY ("TWIN CITY FIRE"), 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;

TWIN CITY FIRE 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 TWIN CITY FIRE:

- 1) TWIN CITY FIRE 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 TWIN CITY FIRE's certificate of authority pursuant to SDCL § 58-6-46 and 58-29A-91;

TWIN CITY FIRE 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 TWIN CITY FIRE 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;

TWIN CITY FIRE 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

TWIN CITY FIRE further agrees to conduct itself in accordance with the insurance laws and regulations of the State of South Dakota henceforth; and

TWIN CITY FIRE 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 TWIN CITY FIRE 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

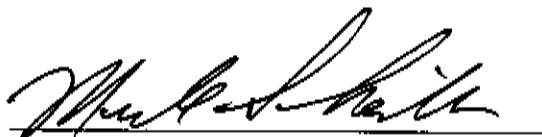
ORDERED that TWIN CITY FIRE pay the SDIGA assessments as noticed on July 15, 2013 with applicable interest as determined by the SDIGA by the time this Consent Order is signed by TWIN CITY FIRE; and it is further

ORDERED that should TWIN CITY FIRE fail to comply with the provisions of this Order, the Division may seek the suspension or revocation of TWIN CITY FIRE'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 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

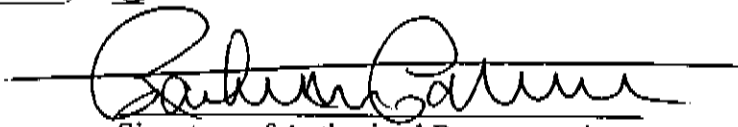
ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order.

Dated at Pierre, South Dakota this 23rd day of December, 2013


Merle Scheiber, Director
South Dakota Division of Insurance

The undersigned, on behalf of TWIN CITY FIRE, 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 December, 2013.


Signature of Authorized Representative
Rachel M. Pattison
Name of Authorized Representative
Associate Counsel
Title