

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

IN THE MATTER PROTECTIVE)
INSURANCE COMPANY)

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:

PROTECTIVE INSURANCE COMPANY ("PROTECTIVE"), whose address of record is 111 Congressional BLVD. #500, Carmel, IN 46032 is an insurance company holding a certificate of authority to transact business in the State of South Dakota;

PROTECTIVE 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) PROTECTIVE failed to timely file a First Report of Injury Form concerning state claim number 1435386 in violation of SDCL § 62-6-3;
- 2) PROTECTIVE failed to timely file a First Report of Injury Form concerning state claim number 1445028 in violation of SDCL § 62-6-3;
- 3) PROTECTIVE was the subject of a 2013 Warning Letter for a previous violation of § 62-6-3;
- 4) Any of the above-cited conduct provides grounds for the revocation or suspension of PROTECTIVE's certificate of authority in South Dakota pursuant to SDCL § 58-6-46;

PROTECTIVE 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 PROTECTIVE 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 concerning the above violations and any other violations of SDCL § 62-6-3 up to the date of this Consent Order pursuant to SDCL § 1-26-20;

PROTECTIVE agrees to a monetary penalty in the amount of \$7,500 pursuant to SDCL § 58-4-28.1, in lieu of contesting this matter formally; and

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

PROTECTIVE 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 PROTECTIVE pay a monetary penalty in the amount of \$7,500 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 should PROTECTIVE fail to comply with the provisions of this Order, the Division may seek the suspension or revocation of PROTECTIVE'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 PROTECTIVE 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

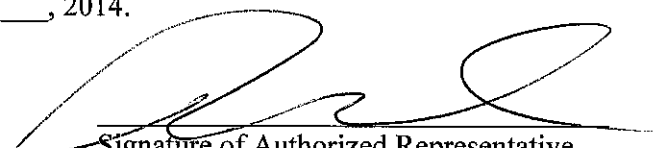
ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order.

Dated at Pierre, South Dakota this 20th day of October, 2014.


Merle Scheiber, Director
South Dakota Division of Insurance

The undersigned, on behalf of PROTECTIVE, 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 15th day of October, 2014.


Signature of Authorized Representative
Michael J Case
Printed Name
Vice President
Title