

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

IN THE MATTER OF)
ACE PROPERTY AND CASUALTY) CONSENT ORDER
INSURANCE 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:

ACE PROPERTY AND CASUALTY INSURANCE COMPANY ("ACE"), whose address of record is 1 Beaver Valley Road, Wilmington DE 19803, is an insurance company holding a certificate of authority to transact business in the State of South Dakota;

ACE 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 regard to ACE:

- 1) Through investigation, the Division discovered that ACE reported no covered lives and no marketing in Market Survey Reports and Annual Statements for Medicare Supplement insurance when there were in fact covered lives in South Dakota in violation of SDCL 58-17A-10 and ARSD 20:06:13:22 and 20:06:13:59;
- 2) When comparing various statements filed with the Division, ACE supplied the Division of Insurance with false, misleading, or incomplete information, in violation of SDCL 58-33-66(2);
- 3) The Division alleges that the above-cited conduct may be grounds for the revocation or suspension of ACE's certificate of authority pursuant to SDCL 58-6-46;

ACE 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 ACE 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;

ACE agrees to a monetary penalty in the amount of \$10,000 pursuant to SDCL 58-4-28.1, in lieu of contesting this matter formally;

ACE 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 ACE pay a monetary penalty in the amount of \$10,000 payable to "South Dakota Division of Insurance" for

deposit in the general fund of the State of South Dakota; and ACE further agrees to conduct itself in accordance with the insurance laws and regulations of the State of South Dakota; and it is further

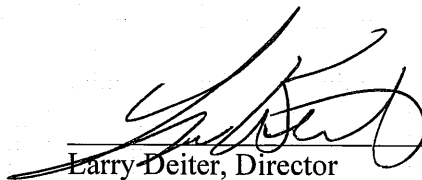
ORDERED that ACE reconcile its premium taxes under SDCL Ch. 10-44 as necessary and pay any required taxes or penalties should they arise and comply with all requests by the Division regarding this matter; and it is further

ORDERED that should ACE fail to comply with the provisions of this Order, the South Dakota Division of Insurance may seek the suspension or revocation of ACE'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 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.

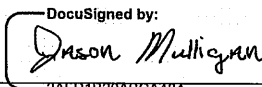
Dated at Pierre, South Dakota this 6th day of September, 2024.



Larry Deiter, Director
South Dakota Division of Insurance

The undersigned, on behalf of ACE PROPERTY AND CASUALTY INSURANCE COMPANY, 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 29th day of August, 2024.

DocuSigned by:


Signature of Authorized Representative
Jason Mulligan

Printed Name
SVP and Chief Actuary

Title