

STATE CORPORATION COMMISSION

AT RICHMOND, DECEMBER 18, 2007

COMMONWEALTH OF VIRGINIA

2007 DEC 18 P 3: 53

At the relation of the

STATE CORPORATION COMMISSION

v.

CASE NO. INS-2007-00257

CHUBB INDEMNITY INSURANCE COMPANY,
FEDERAL INSURANCE COMPANY,
GREAT NORTHERN INSURANCE COMPANY,
PACIFIC INDEMNITY COMPANY,
and
VIGILANT INSURANCE COMPANY,
Defendants

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance, it is alleged that the Defendants, duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia, violated § 38.2-1906 A of the Code of Virginia by failing to file with the Commission certain rate and supplementary rating information on or before the date it became effective.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1040 of the Code of Virginia to impose certain monetary penalties, issue cease and desist orders, and suspend or revoke the Defendants' licenses upon a finding by the Commission, after notice and opportunity to be heard, that the Defendants have committed the aforesaid alleged violations.

The Defendants have been advised of their right to a hearing in this matter, whereupon the Defendants, without admitting any violation of Virginia law, have made an offer of settlement to the Commission wherein the Defendants have tendered to the Commonwealth of Virginia the sum of one thousand dollars (\$1,000) per company for an amount totaling five thousand dollars (\$5,000), waived their right to a hearing, and agreed to comply with the Corrective Action Plan set forth in their letter to the Bureau dated August 10, 2007.

The Bureau of Insurance has recommended that the Commission accept the offer of settlement of the Defendants pursuant to the authority granted the Commission in § 12.1-15 of the Code of Virginia.

THE COMMISSION, having considered the record herein, the offer of settlement of the Defendants, and the recommendation of the Bureau of Insurance, is of the opinion that the Defendants' offer should be accepted.

IT IS THEREFORE ORDERED THAT:

(1) The offer of the Defendants in settlement of the matter set forth herein be, and it is hereby, accepted; and

(2) The papers herein be placed in the file for ended causes.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to Robert Tuohy, Assistant Vice President – Assistant Counsel, Chubb Insurance Companies, 202 Hall's Mill Road, P.O. Box 1650, Whitehouse Station, New Jersey 08889-1650; and the Bureau of Insurance in care of Deputy Commissioner Mary M. Bannister.