

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION  
AT RICHMOND, NOVEMBER 9, 2012

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COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

v.

CASE NO. INS-2012-00228

PEERLESS INSURANCE COMPANY,  
THE NETHERLANDS INSURANCE COMPANY,  
EXCELSIOR INSURANCE COMPANY,  
MONTGOMERY MUTUAL INSURANCE COMPANY,  
AMERICAN FIRE AND CASUALTY COMPANY,  
THE OHIO CASUALTY INSURANCE COMPANY,  
WEST AMERICAN INSURANCE COMPANY,  
and  
PEERLESS INDEMNITY INSURANCE COMPANY,  
Defendants

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), it is alleged that Peerless Insurance Company, The Netherlands Insurance Company, Excelsior Insurance Company, Montgomery Mutual Insurance Company, American Fire and Casualty Company, The Ohio Casualty Insurance Company, West American Insurance Company, and Peerless Indemnity Insurance Company ("Defendants"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Commonwealth"), violated § 38.2-317 of the Code of Virginia ("Code") by delivering or issuing for delivery insurance policies or endorsements without having filed such policy forms or endorsements with the Commission at least thirty (30) days prior to their effective date.

The Commission is authorized by §§ 38.2-218, 38.2-219, and 38.2-1040 of the Code 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 the sum of One Thousand Dollars (\$1,000) per company for an amount totaling Eight Thousand Dollars (\$8,000), waived their right to a hearing, and agreed to comply with the corrective action plan set forth in their letter to the Bureau dated October 1, 2012.

The Bureau 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.

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

Accordingly, IT IS ORDERED THAT:

(1) The offer of Peerless Insurance Company, The Netherlands Insurance Company, Excelsior Insurance Company, Montgomery Mutual Insurance Company, American Fire and Casualty Company, The Ohio Casualty Insurance Company, West American Insurance Company, and Peerless Indemnity Insurance Company in settlement of the matter set forth herein is hereby accepted.

(2) This case is dismissed, and the papers herein shall be placed in the file for ended causes.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:  
Judy Hastings, RCG State Filings, Liberty Mutual Agency Corporation, Safeco Plaza, Suite

2800, Seattle, Washington 98185; and a copy shall be delivered to the Commission's Office of General Counsel and the Bureau of Insurance in care of Deputy Commissioner Mary M. Bannister.

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