

COMMONWEALTH OF VIRGINIA  
STATE CORPORATION COMMISSION  
AT RICHMOND, SEPTEMBER 18, 2012

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COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

v.

CASE NO. INS-2012-00194

GOVERNMENT EMPLOYEES  
INSURANCE COMPANY,  
GEICO GENERAL INSURANCE COMPANY,  
and  
GEICO CASUALTY COMPANY,  
Defendants

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), it is alleged that Government Employees Insurance Company, GEICO General Insurance Company, GEICO Casualty Company ("Defendants"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Commonwealth"), violated § 38.2-502 of the Code of Virginia ("Code") by misrepresenting the benefits, advantages, conditions or terms of insurance policies.

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 Two Thousand Dollars (\$2,000) per company for an amount totaling Six Thousand Dollars (\$6,000),

agreed to comply with the Corrective Action Plan set forth in their letter to the Bureau dated October 15, 2011, confirmed that restitution was made to 67 consumers in the amount of Two Thousand Six Hundred Ninety-five Dollars and Fifty-six Cents (\$2,695.56), and waived their right to a hearing.

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 Government Employees Insurance Company, GEICO General Insurance Company, and GEICO Casualty Company, in settlement of the matter set forth herein be, and it 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: Sonya Bassaly, Legislative Attorney, GEICO Insurance Companies, One GEICO Plaza, 5-T, Washington, D.C. 20076; 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.