

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, DECEMBER 10, 2012

SEC-CLERK'S OFFICE
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2012 DEC 10 P 2: 06

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COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

v.

CASE NO. INS-2012-00278

CONTINENTAL INSURANCE COMPANY,
AMERICAN CASUALTY COMPANY OF
READING PA,
NATIONAL FIRE INSURANCE COMPANY
OF HARTFORD,
TRANSPORTATION INSURANCE COMPANY,
VALLEY FORGE INSURANCE COMPANY,
and
CONTINENTAL CASUALTY COMPANY,
Defendants

SETTLEMENT ORDER

Based on an investigation conducted by the Bureau of Insurance ("Bureau"), it is alleged that Continental Insurance Company, American Casualty Company of Reading PA, National Fire Insurance Company of Hartford, Transportation Insurance Company, Valley Forge Insurance Company, and Continental Casualty Company ("Defendants"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Commonwealth"), violated § 38.2-1906 D of the Code of Virginia ("Code") by making or issuing insurance contracts or policies not in accordance with the rate and supplementary rate information filings in effect for the Defendants.

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 Six Thousand Dollars (\$6,000), waived their right to a hearing, agreed to comply with the corrective action plan set forth in their letter to the Bureau dated October 5, 2012, and confirmed that restitution was made to 14 consumers in the amount of Five Hundred Seventy-four Dollars and Eighty Cents (\$574.80).

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 Continental Insurance Company, American Casualty Company of Reading PA, National Fire Insurance Company of Hartford, Transportation Insurance Company, Valley Forge Insurance Company, and Continental Casualty 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: Michelle J. Miller, Esquire, Counsel – Law Department P&C Group, CNA Insurance Companies, 333 South Wabash, Chicago, Illinois 60685; 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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