

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, AUGUST 18, 2017

COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

SCC-CLERK'S OFFICE
DOCUMENT CONTROL CENTER

2017 AUG 18 A 10: 54

170830100

v.

CASE NO. INS-2017-00184

FEDERAL INSURANCE COMPANY
and
GREAT NORTHERN INSURANCE COMPANY,
Defendants

SETTLEMENT ORDER

Based on a market conduct inquiry performed by the Bureau of Insurance ("Bureau"), it is alleged that Federal Insurance Company and Great Northern Insurance Company (collectively, "Defendants"), duly licensed by the State Corporation Commission ("Commission") to transact the business of insurance in the Commonwealth of Virginia ("Virginia"), 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 a defendant's license upon a finding by the Commission, after notice and opportunity to be heard, that a defendant has 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 each tendered to Virginia the sum of Two Thousand Five Hundred Dollars (\$2,500) for an amount totaling Five Thousand Dollars (\$5,000), waived their right to a hearing, agreed to comply with the corrective action plan set

