

STATE CORPORATION COMMISSION DOCUMENT CONTROL

AT RICHMOND, AUGUST 1, 2003

COMMONWEALTH OF VIRGINIA

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At the relation of the

STATE CORPORATION COMMISSION

v.

CASE NO. INS-2003-00120

ALLSTATE INSURANCE COMPANY
and
ALLSTATE INDEMNITY COMPANY,

Defendants

SETTLEMENT ORDER

Based on a target market conduct examination performed by the Bureau of Insurance, it appears that Defendants, duly licensed by the Commission to transact the business of insurance in the Commonwealth of Virginia, are alleged to have violated § 38.2-1906 D of the Code of Virginia by making or issuing insurance contracts or policies not in accordance with the rate and supplementary rate information filings in effect for Defendants.

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 Defendants' licenses upon a finding by the Commission, after notice and opportunity to be heard, that Defendants have committed the aforesaid alleged violations.

Defendants have been advised of their right to a hearing in this matter, whereupon Defendants, without admitting any

violation of Virginia law, have made an offer of settlement to the Commission wherein Defendants have tendered to the Commonwealth of Virginia the sum of fifty thousand dollars (\$50,000), waived their right to a hearing, and agreed to the entry by the Commission of a cease and desist order.

The Bureau of Insurance has recommended that the Commission accept the offer of settlement of 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 Defendants, and the recommendation of the Bureau of Insurance, is of the opinion that Defendants' offer should be accepted.

IT IS THEREFORE ORDERED THAT:

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

(2) Defendants cease and desist from any conduct which constitutes a violation of § 38.2-1906 D of the Code of Virginia; and

(3) 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 Jeffrey W. Williams, Regional Counsel, Allstate Insurance Companies, 12150 East Monument Drive, Fairfax, Virginia 22033; and the Bureau of Insurance in care of Deputy Commissioner Mary M. Bannister.