BEFORE THE INSURANCE COMMISSIONER
STATE OF OKLAHOMA

FILED

FEB 28 2008

INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel. KIM HOLLAND, Insurance Commissioner Plaintiff, vs. AMERICAN HOME ASSURANCE COMPANY, AMERICAN INTERNATIONAL SOUTH INSURANCE COMPANY, COMMERCE AND INDUSTRY INSURANCE COMPANY, GRANITE STATE INSURANCE COMPANY, ILLINOIS NATIONAL INSURANCE CO., NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA., NEW HAMPSHIRE INSURANCE COMPANY, THE INSURANCE COMPANY OF THE STATE OF PENNSYLVANIA, Respondents.	))))))))))))))))))	Case No. 07-0636-DIS

AGREED CONSENT ORDER

COMES NOW the State of Oklahoma ex rel. Kim Holland, and alleges and states as follows:

JURISDICTION

1. That Kim Holland is the Insurance Commissioner of the State of Oklahoma and as such is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, Okla.Stat.tit. 36 §§ 101 through 7004.

2. That if a hearing is requested by the Respondents, the Insurance Commissioner, pursuant to Okla. Stat. tit. 36 §318(D), upon written request reasonably made by a person

affected by the hearing and at such person's expense, shall cause a full stenographic record of the proceedings to be made by a competent court reporter.

3. That the Insurance Commissioner, pursuant to Okla. Stat. tit. 36 § 319, has appointed an independent hearing examiner who shall sit as a quasi-judicial officer and who may preside over any hearing which may be requested by the Respondents.

STIPULATIONS OF FACT

1. The Respondents are foreign insurers licensed in the State of Oklahoma holding certificate of authority and NAIC numbers:

American Home Assurance Company, Oklahoma certificate 0560, NAIC 19380; American International South Insurance Company, Oklahoma certificate 0524, NAIC 40258; Commerce and Industry Insurance Company, Oklahoma certificate 1928, NAIC 19410; Granite State Insurance Company, Oklahoma certificate 3440, NAIC 23809; Illinois National Insurance Co., Oklahoma certificate 3960, NAIC 23817; National Union Fire Insurance Company of Pittsburgh, Pa. Oklahoma certificate 5776, NAIC 19445; New Hampshire Insurance Company, Oklahoma certificate 5888, NAIC 23841; The Insurance Company of the State of Pennsylvania, Oklahoma certificate 4096, NAIC 19429. Respondents are licensed to write accident and health, property, casualty, marine, vehicle, surety and workers' compensation insurance.

2. In August 2006, in connection with commercial automobile filing AIC-06-CA-03, made by the respondents, Petitioner discovered that Respondents had never submitted for approval a declarations page.

3. Respondents issued approximately 574 policies that contained a declarations page that had not been filed for approval by the Oklahoma Insurance Department.

4. The declarations pages submitted by the respondents were approved by OID in filing number 2006-3551C. Since the approval of the filing, Respondents have used a properly filed declaration page with their policies.

CONCLUSIONS OF LAW

1. The conduct of each respondent violated Okl. Stat. tit. 36 § 3610, which provides that no insurance policy form shall be issued, delivered, or used unless filed with and approved by the Insurance Commissioner. The declarations page of a policy is a form that is required to be approved by the Insurance Commissioner before it is used with the policy.

2. Each of the alleged violations is subject to administrative penalty pursuant to Okl.Stat.tit. 36 § 908. That section provides for a penalty of not less than One Hundred dollars ($100.00) nor more than Five Thousand dollars ($5,000.00) for each alleged violation.

ORDER

IT IS THEREFORE ORDERED by the Insurance Commissioner, and **CONSENTED TO** by Respondents, that each Respondent has committed a violation of Okla. Stat. tit. 36 §3610 and that each Respondent agrees to pay a civil penalty of Five Hundred dollars ($500) for its conduct, to be paid within 10 days after execution of this Order. The total penalty assessed in this matter is Four Thousand dollars ($4,000).

IT IS FURTHER ORDERED AND CONSENTED TO that in the future, each Respondent will comply with the Oklahoma Insurance Code, Okla. Stat. tit. 36 §101 et seq., and will file all policy forms including declarations pages to the extent such filings are required for approval by the Insurance Commissioner before they are used within the state of Oklahoma.

WITNESS My Hand and Official Seal this 19th day of February, 2008.

Agreed as to form and content:

American Home Assurance Company
American International South Insurance Company
Commerce and Industry Insurance Company
Granite State Insurance Company
Illinois National Insurance Co.
National Union Fire Insurance Company of Pittsburgh, Pa.
New Hampshire Insurance Company
The Insurance Company of the State of Pennsylvania

Kenneth V. Harkins
Senior Vice President and General Counsel
Date:

Larry Derryberry, Esq.
Attorney for all Respondents
Date:

Susan D. Dobbins,
Assistant General Counsel
Oklahoma Insurance Department
Date:

KIM HOLLAND

INSURANCE COMMISSIONER
STATE OF OKLAHOMA

CERTIFICATE OF MAILING

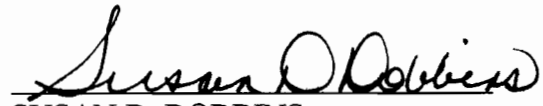
On this 28 day of Feb., 2008, a true and correct copy of the above and foregoing Consent Order was mailed to:

Larry Derryberry, Esq.
Derryberry & Naifeh, LLP
4800 North Lincoln Boulevard
Oklahoma City, OK 73105-3321

and a copy was delivered to:

Chris Van Ess
Director and Chief Financial Examiner
Oklahoma Insurance Department

Kathie Stepp
Assistant Commissioner and Director
Oklahoma Insurance Department



SUSAN D. DOBBINS
Assistant General Counsel