

BEFORE THE INSURANCE COMMISSIONER
STATE OF OKLAHOMA

FILED

FEB 19 2008

INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel.)
KIM HOLLAND,)
Insurance Commissioner)

Plaintiff,)

vs.)

ENCOMPASS INSURANCE COMPANY OF AMERICA,)
and ENCOMPASS INDEMNITY COMPANY)

Respondents.)

1406
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. Encompass Insurance Company of America holds certificate of authority number 0115, NAIC number 10071. Encompass Indemnity Company holds certificate of authority number 0104, NAIC number 15130. Both companies are licensed to write property, casualty, marine, and vehicle insurance.

2. In August 2007, in connection with a filing made on behalf of respondents, SERFF Tracking Number ALSX-125223372, Petitioner discovered that Respondents had issued policies with an unapproved declaration page.

3. Respondents admit that each of them have issued approximately 5 policies that contained a declaration page that had not been filed for approval by the Oklahoma Insurance Department.

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 because the declaration page of a policy is a form that is required to be approved by the Insurance Commissioner before it is used with a policy.

CONSENT AND ORDER

IT IS THEREFORE ORDERED by the Insurance Commissioner, and **CONSENTED TO** by each Respondent, that Respondents have violated Okla. Stat. tit. 36 § 3610 and that each Respondent is censured for that conduct.

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 declaration pages, 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 Feb., 2008,



[Handwritten Signature]

KIM HOLLAND
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

Agreed as to form and content

[Handwritten Signature]

Encompass Insurance Company
of America
By: John F. Haas
Its: Southwest Regional Counsel
Date: 2/7/2008

[Handwritten Signature]

Encompass Indemnity Company
By: John F. Haas
Its: Southwest Regional Counsel
Date: 2/7/2008

[Handwritten Signature]

Susan D. Dobbins
Assistant General Counsel
Oklahoma Insurance Department

CERTIFICATE OF MAILING

On this 19 day of Sept, 2008, a true and correct copy of the above and foregoing Consent Order was mailed to:

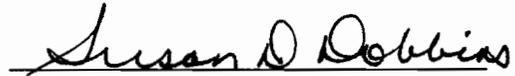
CERTIFIED MAIL NUMBER:

John F. Haas
Southwest Regional Director of State Legislative and Regulatory Affairs
5343 N. 16th Street, Suite 300
Phoenix, Az 85016

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 DOBBINS
Assistant General Counsel