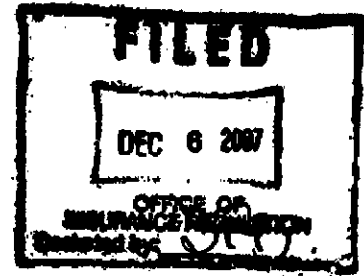




OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY
COMMISSIONER



IN THE MATTER OF:

**INTERNATIONAL ASSOCIATION OF
BENEFITS, INC.**
2006 Market Conduct Examination

CASE NO.: 91460-07-CO

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between INTERNATIONAL ASSOCIATION OF BENEFITS, INC. (hereinafter referred to as "IAB") and the OFFICE OF INSURANCE REGULATION (hereinafter referred to as the "OFFICE"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter of, and parties to, this proceeding.
2. IAB is a foreign discount medical plan organization authorized to transact discount medical plan business in Florida and is subject to the jurisdiction and regulation of the OFFICE pursuant to the Chapter 636, Part II, Florida Statutes.
3. The OFFICE conducted a market conduct examination of IAB in 2006 pursuant to Section 636.206, Florida Statutes. As a result, it has been determined that IAB violated the following provisions of the Florida Insurance Code and Florida Administrative Code:

a. Section 636.214(3)(a), Florida Statutes – Provider network agreement failed to require the agreement between the network and its contracted providers contain both a list of services and products to be provided at a discount or the amount or amounts of the discounts or, alternatively, a fee schedule which reflects the provider's discounted rates.

b. Section 636.214(3)(c), Florida Statutes – Failure to have a provision in a provider network agreement that requires the network to provide an up-to-date list of its contracted providers on a monthly basis to the discount medical plan organization.

c. Section 636.216(3), Florida Statutes – Use of forms that have not been filed with and approved by the Office.

d. Rule 69O-203.202(1)(k), Florida Administrative Code – Failure to have a unique form number in the lower left hand corner of an application form.

e. Rule 69O-203.202(1)(c), Florida Administrative Code – Failure to include the name of the group, if applicable, and the name of the member on the membership agreement.

f. Rule 69O-203.202(1)(h), Florida Administrative Code – Failure to state the benefits to be provided on the membership agreement.

g. Section 636.208(2), Florida Statutes – Failure to make full refunds to members who cancelled their membership within 30 days of the enrollment effective date.

h. Section 636.212(1-5), Florida Statutes – Failure to contain the required disclosures on its websites and on advertising materials.

i. Section 636.228(1), Florida Statutes – Failure of the discount medical plan organization to review and approve marketers' websites prior to use.

j. Rule 69O-203.203(2)(a) and (b), Florida Administrative Code – Use of words, phrases or illustrations in a manner through which may mislead or have the capacity or

tendency to deceive or mislead. Use of misleading advertisements that give false information, contain untrue, deceptive, or misleading words, phrases, statements, references or illustrations as to the contract benefits.

4. IAB expressly waives its right to a hearing in this matter, the making of Findings of Fact and Conclusions of Law by the OFFICE, and all further and/or other proceedings herein to which the parties may now or in the future be entitled, either by law or by rules of the OFFICE. IAB hereby knowingly and voluntarily waives all rights to challenge or to contest this Order, in any forum now or in the future available, including the right to any administrative proceeding, circuit or federal court action, or any appeal.

5. IAB agrees that upon the execution of this Consent Order it shall be subject to the following terms and conditions:

a. IAB shall pay an administrative penalty of Six Thousand Dollars (\$6,000) and administrative costs of Three Thousand Dollars (\$3,000) on or before the 30th day after this Consent Order is executed.

b. IAB shall, within 30 days of the execution of this Consent Order, provide to the OFFICE a certification signed by an officer of the Company that the corrective actions outlined in the examination report have been completed. The certification shall include a detailed list of all periodic charges returned, itemized by member name, member number, and the amount refunded.

6. IAB is hereby placed on notice of the requirements of the above-referenced provisions of law and agrees that any future violations of these statutes and rules by IAB may be deemed willful, subjecting IAB to appropriate penalties.

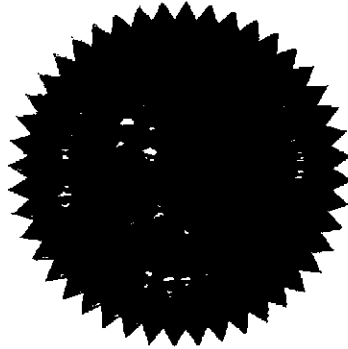
7. IAB agrees that the failure to adhere to one or more of the above terms and conditions of this Consent Order shall constitute a violation of a lawful order of the OFFICE, and shall subject IAB to such administrative action as the OFFICE may deem appropriate.

8. Except as noted above, each party to this action shall bear its own costs and attorney's fees.

THEREFORE, the agreement between IAB and the OFFICE, the terms and conditions of which are set forth above, is APPROVED.

FURTHER, all terms and conditions above are hereby ORDERED.

DONE AND ORDERED this 6TH day of DECEMBER 2007.



KEVIN M. McCARTY
Commissioner
Office of Insurance Regulation

By execution hereof, INTERNATIONAL ASSOCIATION OF BENEFITS, INC. consents to entry of this Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that he or she has the authority to bind INTERNATIONAL ASSOCIATION OF BENEFITS, INC. to the terms and conditions of this Consent Order.

INTERNATIONAL ASSOCIATION OF
BENEFITS, INC.

Corporate Seal

By ✓

Title:

Executive Vice President

Date:

11/19/07

STATE OF TEXAS
COUNTY OF TARRANT

The foregoing instrument was acknowledged before me this 19th day of November 2007,
by LAURA GORMAN as OFFICER for
(Name of person) (Type of authority.... e.g. officer, trustee, attorney in fact)
INTERNATIONAL ASSOCIATION OF BENEFITS
(Company name)

Personally Known ✓ or Produced Identification _____

Type of Identification Produced _____



(Signature of the Notary)

My Commission Expires:

(Print, Type or Stamp Commissioned Name of Notary)

COPIES FURNISHED TO:

Jeffrey Malone, President
International Association of Benefits, Inc.
701 Highlander Blvd., Ste. 500
Arlington, TX 76015-4399

Sam Binnun, Director
Market Investigations
Florida Office of Insurance Regulation
200 E. Gaines Street, 2nd Floor
Tallahassee, FL 32399-4210

Jim Bennett, Chief Assistant General
Counsel – Market Investigations
Legal Services Office
Florida Office of Insurance Regulation
200 E. Gaines Street, 6th Floor
Tallahassee, FL 32399-4206

Lori Ridner, Assistant General Counsel
Legal Services Office
Florida Office of Insurance Regulation
200 E. Gaines Street, 6th Floor
Tallahassee, FL 32399-4206