



OFFICE OF INSURANCE REGULATION

FILED

MAR 9 2007

KEVIN M. McCARTY
COMMISSIONER

Doctsted by: DDM

IN THE MATTER OF:

CASE NO: 89206-07-CO

CINCINNATI INSURANCE COMPANY

2005 Market Conduct Examination

CONSENT ORDER

THIS CAUSE came on for consideration upon the agreement between CINCINNATI INSURANCE COMPANY (hereinafter referred to as "CINCINNATI INSURANCE") 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 COMMISSIONER OF THE OFFICE OF INSURANCE REGULATION hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter of, and parties to, this proceeding.
2. CINCINNATI INSURANCE is a foreign property and casualty insurer authorized to transact insurance business in Florida and is subject to the jurisdiction and regulation of the OFFICE pursuant to the Florida Insurance Code.
3. The OFFICE conducted a market conduct examination of CINCINNATI INSURANCE, pursuant to Section 624.3161, Florida Statutes, in 2005, and as a result of that examination it has been determined that CINCINNATI INSURANCE, has violated the following

provisions of the Florida Insurance Code and/or Florida Administrative Code, to wit:

Medical Malpractice

Section 627.912, Florida Statutes – Failure to Timely Report Closed Claims.

Section 627.912, Florida Statutes – Failure to Accurately Report Closed Claims.

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

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

(a) CINCINNATI INSURANCE shall pay a penalty of \$62,000 and administrative costs of \$3,000 on or before the 30th day after this Consent Order is executed.

(b) CINCINNATI INSURANCE shall henceforth comply with all of the provisions of the Florida Insurance Code and the Florida Administrative Code.

(c) CINCINNATI INSURANCE is hereby placed on notice of the requirements of the above referenced sections of law and agrees that any future violations of these sections by CINCINNATI INSURANCE may be deemed willful, subjecting CINCINNATI INSURANCE to appropriate penalties.

(d) CINCINNATI INSURANCE shall, within 30 days of the execution of the Consent Order, provide to the OFFICE certification by an officer of the Company that all necessary corrective actions have been completed.

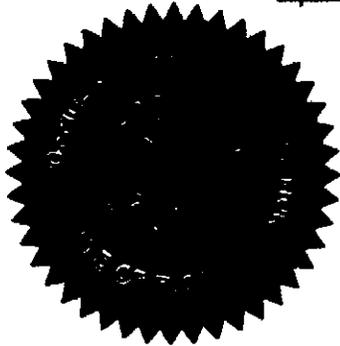
6. CINCINNATI INSURANCE agrees that the failure to adhere to one or more of the above terms and conditions of this Consent Order shall constitute a violation of a lawful order of the OFFICE, and shall subject CINCINNATI INSURANCE to such administrative action as the OFFICE may deem appropriate.

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

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

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE AND ORDERED this 9th day of March, 2007.



KEVIN M. McCARTY
Commissioner
Office of Insurance Regulation

By execution hereof, CINCINNATI INSURANCE COMPANY consents to entry of this Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions therein. The undersigned represents that he or she has the authority to bind CINCINNATI INSURANCE COMPANY to the terms and conditions of this Consent Order.

CINCINNATI INSURANCE COMPANY

[Corporate Seal]

By: [Signature]

Print Name: Mark Welsh

Title: Vice President

Date: 2/15/07

STATE OF Butler Ohio

COUNTY OF Butler

The foregoing instrument was acknowledged before me this 15th day of February, 2007, by Mark Welsh, who is personally known to me or has produced the following identification company id badge.

[Notarial Seal]

Signature of Notary [Signature]

ANGELA M. KROGER
NOTARY PUBLIC, STATE OF OHIO
MY COMMISSION EXPIRES 09-05-10

Angela M. Kroger
Print or Type Name

My Commission Expires: 9-5-10

COPIES FURNISHED TO:

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