



OFFICE OF INSURANCE REGULATION

FILED

MAR 9 2007

KEVIN M. McCARTY
COMMISSIONER

Dictated by DOM

IN THE MATTER OF:

CASE NO: 88561-06-CO

CLARENDON NATIONAL INSURANCE
COMPANY

2005 Market Conduct Examination

CONSENT ORDER

THIS CAUSE came on for consideration upon the agreement between CLARENDON NATIONAL INSURANCE COMPANY, (hereinafter referred to as "CLARENDON NATIONAL") 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. CLARENDON NATIONAL 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 CLARENDON NATIONAL, pursuant to Section 624.3161, Florida Statutes, in 2005, and as a result of that

examination it has been determined that CLARENDON NATIONAL, 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. CLARENDON NATIONAL 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. CLARENDON NATIONAL 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. CLARENDON NATIONAL agrees that upon the execution of this Consent Order it shall be subject to the following terms and conditions:

(a) CLARENDON NATIONAL shall pay a penalty of \$5,000 and administrative costs of \$3,000 on or before the 30th day after this Consent Order is executed.

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

(c) CLARENDON NATIONAL 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 CLARENDON NATIONAL may be deemed willful, subjecting CLARENDON NATIONAL to appropriate penalties.

(d) CLARENDON NATIONAL 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.

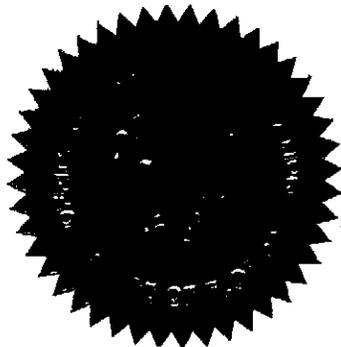
6. CLARENDON NATIONAL agrees that the failure to adhere to one or more of the above terms and conditions of this Consent Order shall constitute a violation of a lawful order of the OFFICE, and shall subject CLARENDON NATIONAL to such administrative action as the OFFICE may deem appropriate.

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

THEREFORE, the agreement between CLARENDON NATIONAL 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, CLARENDON NATIONAL 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 CLARENDON NATIONAL INSURANCE COMPANY to the terms and conditions of this Consent Order.

CLARENDON NATIONAL INSURANCE COMPANY

By: _____

[Corporate Seal]

Print Name: Anders Larsson

Title: Chief Operating Officer

Date: February 14, 2007

STATE OF New York

COUNTY OF New York

The foregoing instrument was acknowledged before me this 14 day of February, 2007, by Anders Larsson, who is personally known to me or has produced the following identification _____.

Signature of Notary

[Notarial Seal]
JESSICA M. MIELES
Notary Public, State of New York
No. 01889148044
Qualified in Queens County
Commission Expires May 15, 2010

Jessica M. Miele

Print or Type Name

My Commission Expires:

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