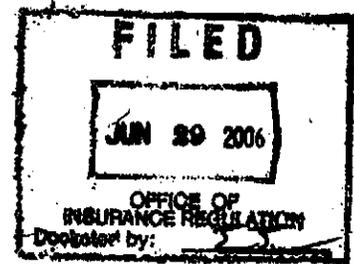




OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY
COMMISSIONER



IN THE MATTER OF:

CASE NO.: 77035-04-CO

COMBINED INSURANCE COMPANY
OF AMERICA

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between COMBINED INSURANCE COMPANY OF AMERICA (hereinafter "COMBINED") and the OFFICE OF INSURANCE REGULATION (hereinafter 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. COMBINED is a foreign 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 has conducted an investigation of COMBINED pursuant to Section 624.318, Florida Statutes. As a result of such investigation, the OFFICE has determined that COMBINED committed the following violation of the Florida Statutes:

a. Section 627.6675(11), Florida Statutes - Failure to offer the Standard Health Benefit Plan as established pursuant to Section 627.6699(12), Florida Statutes.

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

a. COMBINED shall pay an administrative fine in the amount of Eight Thousand Two Hundred and Fifty Dollars (\$8,250.00), and administrative costs in the amount of One Thousand Five Hundred Dollars (\$1,500.00), on or before the 30th day after this Consent Order is executed.

b. Pursuant to Section 627.6675(11), Florida Statutes, COMBINED agrees to provide the Standard Health Benefit Plan, as established pursuant to Section 627.6699(12), Florida Statutes, upon the insured's termination, through a filed and approved conversion plan filed by WORLD INSURANCE COMPANY (hereinafter "WORLD"), a foreign insurer authorized to transact insurance business in Florida, to bring COMBINED into compliance with the aforementioned statutes.

5. As background, WORLD received the OFFICE's approval on January 6, 2005, of an assumption reinsurance transaction filing between WORLD and COMBINED with regard to a closed block of major medical business issued by COMBINED to WORLD. A copy of the conversion plan was submitted to the OFFICE by WORLD on January 25, 2006, for filing and approval as Major Medical Conversion Policy Form A4027-FL and Standard Health Benefit Plan Policy Form A4028-FL. Upon approval by the OFFICE of WORLD's conversion plan, COMBINED will cease to operate in this block of major medical business in Florida.

6. COMBINED 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 COMBINED may be deemed willful, subjecting COMBINED to appropriate penalties.

7. COMBINED affirms that all representations and requirements set forth herein are material to the issuance of this Consent Order. Violation of any part of this Consent Order shall constitute a violation of a lawful order of the OFFICE and may subject COMBINED to one or more of the administrative remedies available under the Florida Insurance Code or other applicable law.

8. Executive Order 13224, signed by President George W. Bush on September 23, 2001, blocks the assets of terrorist and terrorist support organizations identified by the Office of Foreign Assets Control of the Treasury Department. The Executive Order also prohibits any transactions by U.S. persons involved in the blocked assets and interests. The list of identified terrorists and terrorist support organizations is periodically updated at the Treasury Department's website, www.treas.gov/ofac. COMBINED shall maintain and adhere to procedures necessary to detect and prevent prohibited transactions with individuals and entities which have been identified at the Office of Foreign Assets Control website of the Treasury Department.

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

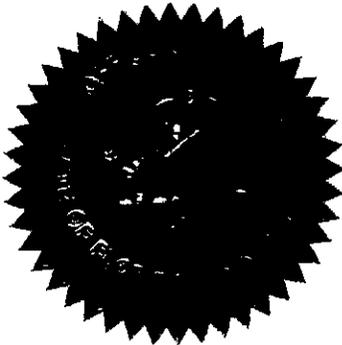
10. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has executed a copy of this Consent Order bearing the signatures of COMBINED and/or its authorized representative under the seal of a notary public, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically.

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

12. This Consent Order is subject to the approval of the Commissioner or his designee.

THEREFORE, the agreement between COMBINED INSURANCE COMPANY OF AMERICA and the OFFICE OF INSURANCE REGULATION, 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 29th day of June, 2006.





Kevin M. McCarty
Commissioner
Office of Insurance Regulation

By execution hereof, COMBINED INSURANCE COMPANY OF AMERICA consents to entry of this Consent 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/she has the authority to bind COMBINED INSURANCE COMPANY OF AMERICA to the terms and conditions of this Consent Order.

COMBINED INSURANCE COMPANY OF AMERICA

Corporate Seal

By: _____

Name: Richard M. Ravin
(Please type or print)

Title: Chairman + Chief Executive Officer

Date: June 15, 2006

STATE OF ILLINOIS

COUNTY OF COOK

The foregoing instrument was acknowledged before me this 15th day of June, 2006,

by Richard M. Ravin as Officer
(Name of person) (Type of authority...e.g. officer, trustee, attorney in fact)

Personally known to me

Identification produced _____

My Commission Expires:

NOTARY PUBLIC



ALISON J. SAGAMI
Typed or Printed Name of Notary

COPIES FURNISHED TO:

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