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THE TREASURER OF THE STATE OF FLORIDA
DEPARTMENT OF INSURANCE

Treasurer and
Insurance Commissioner
Docketed by: SP

TOM GALLAGHER

IN THE MATTER OF:

CASE NO.: 60442-02-CO

GEICO GENERAL INSURANCE COMPANY

2001 Property and Casualty Market
Conduct Examination
_____ /

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between **GEICO GENERAL INSURANCE COMPANY**, hereinafter referred to as **GEICO GENERAL** and the **FLORIDA DEPARTMENT OF INSURANCE**, hereinafter referred to as the **DEPARTMENT**. Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the **DEPARTMENT**, hereby finds as follows:

1. The **DEPARTMENT** has jurisdiction over the subject matter of, and parties to, this proceeding.
2. **GEICO GENERAL** is a foreign property and casualty insurer authorized to transact insurance business in Florida and is subject to the jurisdiction and regulation of the **DEPARTMENT** pursuant to the Florida Insurance Code.

3. The **DEPARTMENT** conducted a property and casualty market conduct examination of **GEICO GENERAL** covering the period of January 1998 through December 2000, pursuant to Section 624.3161, Florida Statutes. As a result of such examination, the **DEPARTMENT** determined that **GEICO GENERAL** committed the following violations of the Florida Insurance Code or Florida Administrative Code as outlined in total in the Fine Worksheet provided with the Report of Examination Findings:

a. Private Passenger Automobile

1. Section 627.0651, F.S.-Use of Unfiled Rate, Rating Schedule, Rating Rule or Underwriting Guideline (PPA)-Rounding Rule.
2. Section 627.0651, F.S.-Failure to Follow Filed Rate, Rating Schedule, Rating Rule or Underwriting Guideline (PPA)-Student Discount.

4. The **DEPARTMENT** and **GEICO GENERAL** expressly waive a hearing in this matter and the making of Findings of Fact and Conclusions of Law by the **DEPARTMENT** and all further and other proceedings herein to which the parties may be entitled by law. **GEICO GENERAL** hereby knowingly and voluntarily waives the rights to challenge or to contest this Order in any forum now available to it, including the right to any administrative proceeding, circuit or federal court action, or any appeal.

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

(a) **GEICO GENERAL** shall pay an administrative penalty of \$1,750 and administrative costs of \$300 on or before the 30th day after this Consent Order is executed.

(b) **GEICO GENERAL** shall henceforth comply with all of the provisions of the Florida Insurance Code and Florida Administrative Code, and implement policies and procedures that will preclude the recurrence of the violations contained in the examination report. These policies and procedures shall be made available to the **DEPARTMENT** for review upon request. Within 90 days after execution of this Consent Order, **GEICO GENERAL** shall both implement the recommendations contained in this report, and submit confirmation, in writing, to the **DEPARTMENT** that all directives contained in the report have been met, including all refunds.

(c) **GEICO GENERAL** 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 **GEICO GENERAL** may be deemed willful, subjecting **GEICO GENERAL** to appropriate penalties.

6. **GEICO GENERAL** agrees that the failure to adhere to one or more of the above terms and conditions of this Order shall

constitute a violation of a lawful order of the **DEPARTMENT**, and shall subject **GEICO GENERAL** to such administrative action as the **DEPARTMENT** may deem appropriate.

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

8. **THEREFORE**, the agreement between **GEICO GENERAL INSURANCE COMPANY** and the **DEPARTMENT**, the terms and conditions of that are set forth above, is approved.

FURTHER, all terms and conditions above are hereby **ORDERED**.

DONE AND ORDERED this 21ST day of JUNE, 2002.



KEVIN MCCARTY
DEPUTY INSURANCE COMMISSIONER

By execution hereof **GEICO GENERAL 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 herein. I am authorized to execute this document.

GEICO GENERAL INSURANCE COMPANY

By: _____
Hank Nayden
Title: Vice President and Legislative Counsel
Date: February 28, 2002

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