



OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY  
COMMISSIONER

**FILED**

MAR 5 2008

~~CONFIDENTIAL~~ SPB

IN THE MATTER OF:

CASE NO.: 81051-05-CO

**FORTIS INSURANCE COMPANY**  
Life and Health Market Conduct Investigation

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**CONSENT ORDER**

THIS CAUSE came on for consideration as the result of an agreement between **FORTIS INSURANCE COMPANY** (now known as Time Insurance Company, hereinafter referred to as "FORTIS") 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. **FORTIS** 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 **FORTIS** pursuant to Section 624.318, Florida Statutes. As a result of such investigation, the **OFFICE** has determined that **FORTIS** violated the following provisions of the Florida Insurance Code and Florida Administrative Code:

- a. Section 626.9541(1)(a), Florida Statutes – misrepresentation of insurance policies.
- b. Rule 69O-150.003(11)(b)(3), Florida Administrative Code – use of an advertisement that states premium cost, therefore, making the advertisement comparison an invitation to contract, rather than an invitation to inquire.
- c. Rule 69O-150.006(2)(a) and (b), Florida Administrative Code – failure to disclose exceptions, reductions, limitations, waiting, elimination, and probationary periods affecting basic provisions of a policy as required in an invitation to contract.
- d. Rule 69O-150.006(3)(a) and (b), Florida Administrative Code – failure to disclose pre-existing conditions affecting basic provisions of a policy as required in an invitation to contract.
- e. Rule 69O-150.007, Florida Administrative Code – failure to disclose renewability, cancellability, and termination affecting basic provisions of a policy as required in an invitation to contract.
- f. Rule 69O-150.011(1) – directly or indirectly making unfair or incomplete comparisons of non-comparable policies or contracts of other insurers.

4. **FORTIS** 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 or rules of the **OFFICE**. **FORTIS** 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.

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

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

a. **FORTIS** shall not use Form No. J-29253 as part of its advertising and/or marketing presentations to Florida consumers.

b. **FORTIS** shall pay an administrative fine of Ten Thousand Dollars (\$10,000.00) and administrative costs of One Thousand Dollars (\$1,000.00) on or before the 30th day after this Consent Order is executed.

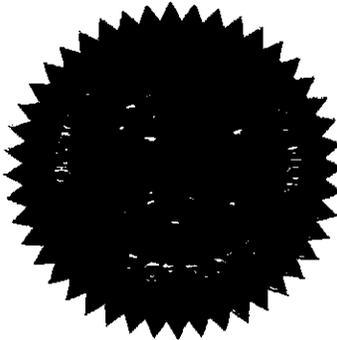
c. **FORTIS** is hereby placed on notice of the requirements of the above-referenced sections of law and agrees that any future violations of these sections by **FORTIS** may be deemed willful, subjecting **FORTIS** to appropriate penalties.

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

THEREFORE, the agreement between **FORTIS** 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 5TH day of MARCH, 2007.



\_\_\_\_\_  
KEVIN M. McCARTY  
Commissioner  
Office of Insurance Regulation

By execution hereof, **FORTIS** 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, pursuant to Section 624.310, Florida Statutes, that he/she has the authority to bind **FORTIS** to the terms and conditions of this Consent Order.

**FORTIS INSURANCE COMPANY**  
**(n/k/a Time Insurance Company)**

By: \_\_\_\_\_

Roger Schultz

Print or Type Name

Corporate Seal

Title: Vice President

Date: Jan 26, 2007

STATE OF Wisconsin  
COUNTY OF Milwaukee

The foregoing instrument was acknowledged before me this 26<sup>th</sup> day of January 2007, by

Roger Schultz as VP  
(Name of person) (Type of authority.... e.g. officer, trustee, attorney in fact)

for Fortis Insurance Company, n/k/a Time Insurance Company  
(Company name)

Personally Known  or Produced Identification \_\_\_\_\_  
Type of Identification Produced \_\_\_\_\_

\_\_\_\_\_  
(Signature of the Notary)

Debra S. Wendlandt

(Print, Type or Stamp Commissioned Name)

My Commission Expires: 5/3/09



**COPIES FURNISHED TO:**

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