



THE TREASURER OF THE STATE OF FLORIDA
DEPARTMENT OF INSURANCE

TOM GALLAGHER

IN THE MATTER OF:

CASE NO.: 40716-01-CO

NATIONWIDE ASSURANCE COMPANY

2000 Property and Casualty Market Conduct
Examination

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between **NATIONWIDE ASSURANCE COMPANY**, hereinafter referred to as **NATIONWIDE ASSURANCE** 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 Treasurer and Insurance Commissioner, as head of the **FLORIDA DEPARTMENT OF INSURANCE**, hereby finds as follows:

1. The Treasurer and Insurance Commissioner, as head of the **DEPARTMENT**, has jurisdiction over the subject matter of, and parties to, this proceeding.

2. **NATIONWIDE ASSURANCE** 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 **NATIONWIDE ASSURANCE** covering the period

of January 1997 through December 1999, pursuant to Section 624.3161, Florida Statutes. As a result of such examination, the **DEPARTMENT** determined that **NATIONWIDE ASSURANCE** 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. Cancellations/Nonrenewals

1. Section 627.728, F.S.-Failure to Provide Timely Notice of Renewal, Nonrenewal or Cancellation-Timing.
2. Rule 4-167.010, Failure to Provide Proof of Mailing.
3. Section 627.728, F.S.-Failure to Provide Timely Notice of Renewal, Nonrenewal or Cancellation-Reason.
4. Rule 4-167.002, F.S.-Failure to File Form DI4-493-Rescinded Policies.
5. Section 627.736, F.S.-Failure to Comply with PIP Notice Requirements.

b. Claims

1. Rule 4-166.026, Failure to Properly Compute Sales Tax.

4. The **DEPARTMENT** and **NATIONWIDE ASSURANCE** 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. **NATIONWIDE ASSURANCE** 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. For each violation noted in Paragraph 3, which was not corrected during the examination and verification provided to the **DEPARTMENT, NATIONWIDE ASSURANCE** shall provide written documentation to the **DEPARTMENT** no later than May 20, 2001, detailing the corrective action taken in order to comply with Florida Statutes for each of the remaining violations noted in Paragraph 3. All pending refunds shall be completed within 60 days of the execution of the Consent Order and documentation provided to the **DEPARTMENT**.

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

(a) **NATIONWIDE ASSURANCE** shall pay an administrative penalty of \$850 and administrative costs of \$100 on or before the 30th day after this Consent Order is executed.

(b) **NATIONWIDE ASSURANCE** shall henceforth comply with all of the provisions of the Florida Insurance Code and Florida Administrative Code, and will implement the recommendations contained in this report within 90 days after execution of Consent Order.

(c) **NATIONWIDE ASSURANCE** 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 **NATIONWIDE ASSURANCE** may be deemed willful, subjecting **NATIONWIDE ASSURANCE** to appropriate penalties.

7. **NATIONWIDE ASSURANCE** 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 **NATIONWIDE ASSURANCE** to such administrative action as the Treasurer and Insurance Commissioner may deem appropriate.

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

9. **THEREFORE**, the agreement between **NATIONWIDE ASSURANCE 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 ____ day of _____,
2001.

KEVIN MCCARTY
DEPUTY INSURANCE COMMISSIONER

By execution hereof **NATIONWIDE ASSURANCE 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.

NATIONWIDE ASSURANCE COMPANY

By: _____

Title: _____

Date: _____

COPIES FURNISHED TO:

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