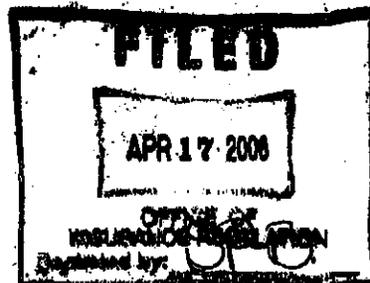




OFFICE OF INSURANCE REGULATION

KEVIN M. MCCARTY
COMMISSIONER



IN THE MATTER OF:

CASE NO: 91177-07-CO

OCEAN HARBOR CASUALTY
INSURANCE COMPANY

2005 Market Conduct Examination

CONSENT ORDER

THIS CAUSE came on for consideration upon the agreement between OCEAN HARBOR CASUALTY INSURANCE COMPANY (hereinafter referred to as "OCEAN HARBOR") 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. OCEAN HARBOR is a domestic 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 OCEAN HARBOR pursuant to Section 624.3161, Florida Statutes, in 2005, and as a result of that examination it has

been determined that OCEAN HARBOR has violated the following provisions of the Florida Insurance Code and/or Florida Administrative Code, to wit:

Private Passenger Automobile

Rule 69O-166.025, Florida Administrative Code – Failure to provide a complete response to a complaint.

Section 626.112, Florida Statutes – Use of unappointed agents.

Section 627.7283, Florida Statutes – Failure of agents to comply with return of unearned premium requirements.

Section 626.9541, Florida Statutes – Failure to send claim denial letters.

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

(a) OCEAN HARBOR shall pay a penalty of \$39,000 and administrative costs of \$3,000 on or before the 30th day after this Consent Order is executed.

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

(c) OCEAN HARBOR is hereby placed on notice of the requirements of the sections of law identified as violations in the Final Examination Report and agrees that any future violations of these sections by OCEAN HARBOR may be deemed willful, subjecting OCEAN HARBOR to appropriate penalties.

(d) OCEAN HARBOR 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.

5. OCEAN HARBOR 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. OCEAN HARBOR 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.

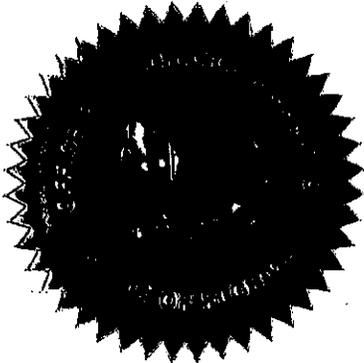
6. OCEAN HARBOR agrees that the failure to adhere to one or more of the above terms and conditions of this Consent Order shall constitute a violation of a lawful order of the OFFICE, and shall subject OCEAN HARBOR to such administrative action as the OFFICE may deem appropriate.

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

THEREFORE, the agreement between OCEAN HARBOR 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 17th day of APRIL, 2008.



KEVIN M. McCARTY
Commissioner
Office of Insurance Regulation

By execution hereof, OCEAN HARBOR CASUALTY 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 OCEAN HARBOR CASUALTY INSURANCE COMPANY to the terms and conditions of this Consent Order.

OCEAN HARBOR CASUALTY
INSURANCE COMPANY

[Corporate Seal]

By: _____

Print Name: William E. Roche

Title: President

Date: 3/28/08

STATE OF New York

COUNTY OF New York

The foregoing instrument was acknowledged before me this 28th day of March, 2008, by William E. Roche, who is personally known to me or has produced the following identification _____.

ADINA EIGEN
NOTARY PUBLIC-STATE OF NEW YORK
No. 01E16046391
[Notarial Seal]
Qualified in Nassau County
My Commission Expires August 14, 2010

Signature of Notary

Adina Eigen

Print or Type Name

My Commission Expires:

COPIES FURNISHED TO:

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