



OFFICE OF INSURANCE REGULATION

KEVIN M. MCCARTY
COMMISSIONER



IN THE MATTER OF:

CASE NO.: 89207-07-CO

**THE TRAVELERS INDEMNITY
COMPANY, SUCCESSOR IN INTEREST
TO GULF INSURANCE COMPANY**

2005 Market Conduct Examination

CONSENT ORDER

THIS CAUSE came on for consideration upon the agreement between GULF INSURANCE COMPANY (which merged with and into THE TRAVELERS INDEMNITY COMPANY effective July 1, 2005, and hereinafter is referred to as "GULF INSURANCE") 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. GULF INSURANCE was a foreign property and casualty insurer authorized to transact insurance business in Florida and was subject to the jurisdiction and regulation of the OFFICE pursuant to the Florida Insurance Code. THE TRAVELERS INDEMNITY

COMPANY, the successor in interest of GULF INSURANCE, remains subject to the jurisdiction and regulation of the OFFICE pursuant to the Florida Insurance Code.

3. The OFFICE conducted a market conduct examination of GULF INSURANCE pursuant to Section 624.3161, Florida Statutes, in 2005, and as a result of that examination it contends that GULF INSURANCE violated the following provisions of the Florida Insurance Code and/or Florida Administrative Code, to wit:

Medical Malpractice

Section 627.912, Florida Statutes -- Failure to Timely Report Closed Claims.

Section 627.912, Florida Statutes -- Failure to Accurately Report Closed Claims.

4. GULF INSURANCE 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. GULF INSURANCE 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.

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

(a) GULF INSURANCE shall pay a penalty of \$18,400 and administrative costs of \$3,000 on or before the 30th day after this Consent Order is executed.

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

(c) GULF INSURANCE 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 GULF INSURANCE may be deemed willful, subjecting GULF INSURANCE to appropriate penalties.

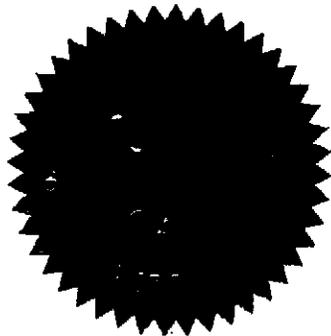
6. GULF INSURANCE agrees that the failure to adhere to one or more of the above terms and conditions of this Consent Order shall constitute a violation of a lawful order of the OFFICE, and shall subject GULF INSURANCE to such administrative action as the OFFICE may deem appropriate.

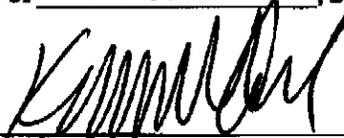
7. Except as noted above, each party to this action shall bear its own costs and attorney's fees.

THEREFORE, the agreement between GULF INSURANCE 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 27TH day of NOVEMBER, 2007.





KEVIN M. McCARTY
Commissioner
Office of Insurance Regulation

By execution hereof, GULF INSURANCE 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 the Company to the terms and conditions of this Consent Order.

THE TRAVELERS INDEMNITY COMPANY,
SUCCESSOR IN INTEREST TO GULF INSURANCE
COMPANY

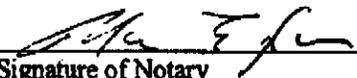
[Corporate Seal]

By: 
Print Name: J. ANDREW WHITNEY
Title: VICE PRESIDENT
Date: 10/5/07

STATE OF CONNECTICUT
COUNTY OF HARTFORD

The foregoing instrument was acknowledged before me this 12 day of October 2007, by J. Andrew Whitney, who is personally known to me or has produced the following identification Drivers License.

[Notarial Seal]


Signature of Notary
Peter E. Liss
Print or Type Name

My Commission Expires: 11-30-11

PETER E. LISS
NOTARY PUBLIC
MY COMMISSION EXPIRES NOV. 30, 2011

COPIES FURNISHED TO:

BRIAN W. MACLEAN, President
St. Paul Fire & Marine Insurance Company
One Tower Square
Hartford, CT 06183

J. STEVE RODDENBERRY, Special Consultant
Pennington Law Firm
215 S. Monroe Street, 2nd Floor
Tallahassee, FL 32301

SAM BINNUN, Director
Market Investigations
Florida Office of Insurance Regulation
200 E. Gaines Street, 2nd Floor
Tallahassee, FL 32399-4210

JIM BENNETT, Assistant General Counsel
Legal Services Office
Florida Office of Insurance Regulation
200 E. Gaines Street, 6th Floor
Tallahassee, FL 32399-4206

LORI RIDNER, Assistant General Counsel
Legal Services Office
Florida Office of Insurance Regulation
200 E. Gaines Street, 6th Floor
Tallahassee, FL 32399-4206