

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NUMBER: 11334-CO12-0614-013

IN THE MATTER OF:)
)
)

National Union Fire Insurance Company)
of Pittsburgh, Pa.)
Respondent)
)

175 Water Street, 19th Floor)
New York, NY 10038)
)

Type of Action: Enforcement)
)

NAIC Number: 19445)

FILED

MAR 22 2013

STATE OF INDIANA
DEPT. OF INSURANCE

FINAL ORDER

The Indiana Department of Insurance ("Department") and National Union Fire Insurance Company of Pittsburgh, Pa. ("NUFIC") an insurance company authorized to conduct business in the State of Indiana, signed an Agreed Entry which purports to resolve all issues involved in the actions by the Department regarding Respondent's Certificate of Authority, and which has been submitted to the Commissioner of Insurance ("Commissioner") for approval.

The Commissioner, after reviewing the Agreed Entry, finds it has been entered into fairly and without fraud, duress or undue influence, and is fair and equitable between the parties. The Commissioner hereby incorporates the Agreed Entry as if fully set forth herein, and approves and adopts in full the Agreed Entry as attached as Exhibit A as a resolution of this matter.

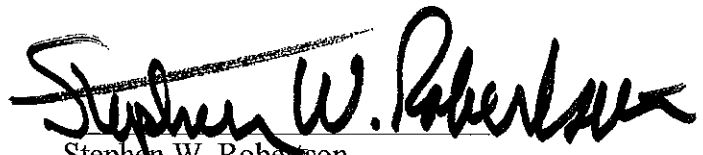
IT IS THEREFORE ORDERED, by the Commissioner of Insurance:

1. NUFIC was the subject of a complaint by an Indiana consumer arising out of the handling of a claim on an Accident Insurance policy. The claim was administered on

the NUFIC's behalf by LOTSolutions, Inc. ("LOTS"), a Third Party Claims Administrator.

2. NUFIC, through LOTS, failed to acknowledge and act reasonably promptly upon communications with respect to a claim arising under an insurance policy in violation of IC § 27-4-1-4.5(2).
3. NUFIC, through LOTS, failed to adopt and implement reasonable standards for the prompt investigation of a claim arising under an insurance policy in violation of IC § 27-4-1-4.5(3).
4. NUFIC admits no wrongdoing.
5. NUFIC has implemented additional monitoring, processes, and controls regarding LOTS' claims handling procedures.
6. NUFIC will pay a civil penalty of Two Thousand Dollars (\$2,000.00). This amount is payable within thirty (30) days of this Final Order.
7. NUFIC will pay compensation of Five Hundred Dollars (\$500.00) to the complainant to recompense him for his inconvenience and expense complying with LOTS' unreasonable requirements.
8. The Department agrees to accept NUFIC's compliance with the terms of this Final Order as a full resolution of this matter.

ALL OF WHICH IS ORDERED this 22 day of March, 2013.

A handwritten signature in black ink, reading "Stephen W. Robertson". The signature is stylized with a large, sweeping "S" and a long, horizontal stroke at the end.

Stephen W. Robertson,
Commissioner
Indiana Department of Insurance

Distribution:

Debra M. Webb.

Indiana Department of Insurance

311 West Washington Street, Suite 103

Indianapolis, Indiana 46204-2787

National Union Fire Ins. Co. of Pittsburgh,

Attn: Smeeta Teck

180 Maiden Lane, 29th Floor

New York, NY 10038

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NUMBER:11334-CO12-0614-013

IN THE MATTER OF:

)
)
National Union Fire Insurance Company)
of Pittsburgh, Pa.)
Respondent)

)
175 Water Street, 19th Floor)
New York, NY 10038)

)
Type of Action: Enforcement)

)
NAIC Number: 19445)

FILED

MAR 22 2013

STATE OF INDIANA
DEPT. OF INSURANCE

AGREED ENTRY

This Agreed Entry is executed by National Union Fire Insurance Company of Pittsburgh, Pa. ("NUFIC") and Debra M. Webb, Deputy General Counsel for the Enforcement Division of the Indiana Department of Insurance (the "Department"), to resolve all issues in this matter. This Agreed Entry is subject to the review and approval of the Commissioner of the Department.

WHEREAS, NUFIC is a Pennsylvania domiciled insurance company; and

WHEREAS, NUFIC has a Certificate of Authority in the State of Indiana; and

WHEREAS, NUFIC issues accident insurance policies in Indiana; and

WHEREAS, NUFIC was the subject of a complaint by an Indiana consumer; and

WHEREAS, the Department and NUFIC desire to resolve their differences and settle the issues without the necessity of a hearing:

IT IS, THEREFORE, NOW AGREED by the parties as follows:

1. The Commissioner has subject matter jurisdiction over the matters at issue in connection with this Agreed Entry and personal jurisdiction over NUFIC.
2. This Agreed Entry is executed voluntarily by the parties.
3. NUFIC voluntarily and freely waives the right to a public hearing.
4. NUFIC voluntarily and freely waives the right to petition for judicial review of this Agreed Entry and the Commissioner's Final Order.
5. NUFIC was the subject of a complaint by an Indiana consumer arising out of the handling of a claim on an Accident Insurance policy. The claim was administered on the NUFIC's behalf by LOTsolutions, Inc. ("LOTS"), a Third Party Claims Administrator.
6. NUFIC, through LOTS, failed to acknowledge and act reasonably promptly upon communications with respect to a claim arising under an insurance policy in violation of IC § 27-4-1-4.5(2).
7. NUFIC, through LOTS, failed to adopt and implement reasonable standards for the prompt investigation of a claim arising under an insurance policy in violation of IC § 27-4-1-4.5(3).
8. NUFIC admits no wrongdoing.

9. NUFIC has implemented additional monitoring, processes, and controls regarding LOTS' claims handling procedures.
10. NUFIC agrees to pay a civil penalty of Two Thousand Dollars (\$2,000.00). This amount is payable within thirty (30) days of the Commissioner's Final Order.
11. NUFIC agrees to pay compensation of Five Hundred Dollars (\$500.00) to the complainant to recompense him for his inconvenience and expense complying with LOTS' unreasonable requirements.
12. The Department agrees to accept NUFIC's compliance with the terms of this Agreed Entry as a full resolution of this matter.
13. NUFIC has carefully read this Agreed Entry and fully understands and accepts its terms.
14. Should this Agreed Entry not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Agreed Entry by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation in or resolution of these proceedings.

3-19-13

Date Signed

March 14, 2013

Date Signed

Debra M. Webb

Debra M. Webb, Deputy General Counsel
Indiana Department of Insurance

Richard C. Woollams

Richard C. Woollams
National Union Fire Insurance Company of Pittsburgh, Pa.

STATE OF NEW YORK)
) SS:
COUNTY OF NEW YORK)

Before me a Notary Public for NEW YORK County, State of New York,
personally appeared Richard C. Woollams and being first duly sworn by me upon his oath, says
that the facts alleged in the foregoing instrument are true.

Signed and sealed this 15th day of MARCH, 2013.

Vincent J Patalano

Signature

VINCENT J. PATALANO

Printed

My Commissioner expires: OCTOBER 15, 2013

County of Residence: NEW YORK

VINCENT J. PATALANO
Notary Public, State of New York
No. 31-4987423
Qualified in New York County
Commission Expires October 15, 2013