

STATE OF OHIO
DEPARTMENT OF INSURANCE
50 W. Town St.
Columbus, Ohio 43215

IN THE MATTER OF: :
 :
NATIONAL UNION FIRE INSURANCE :
COMPANY OF PITTSBURGH, PA. :
NAIC # 19445 : INTERIM CONSENT ORDER

The Ohio Department of Insurance (the "Department") is responsible for administering Ohio insurance laws pursuant to Section 3901.011 of the Ohio Revised Code ("R.C."). National Union Fire Insurance Company of Pittsburgh, Pa. (the "Company") is authorized to engage in the business of insurance in the State of Ohio and, as such, is under the jurisdiction of the Department. On September 28, 2010, the Department commenced an examination of the Company's Accident and Health Division for the period of January 1, 2009 through December 31, 2010. The examination is still ongoing and the Department makes the following findings regarding the Company's actions, some or all of which occurred in the State of Ohio:

1. The Company is a member company of Chartis U.S., Inc. The Accident and Health Division is a Division of the Chartis U.S., Inc., and within the Accident and Health Division is the Direct Marketing Business Unit (the "Direct Marketing Business Unit") which markets and sells some of the Company's accident and health insurance products through direct mail and telemarketing campaigns (the "Products").
2. On November 1, 2011, the Company ceased its direct mail campaigns through its Direct Marketing Business Unit.
3. This Interim Consent Order is based on the Department's continuing examination of the Company's compliance with laws and regulations concerning the Products marketed and sold through the Direct Marketing Business Unit.
4. The Department alleges that in certain instances the Company, through the Direct Marketing Business Unit, marketed and sold non-employer group policies for which premium rates and the classification of risks pertaining thereto had not been approved.
5. The Department and the Company enter into this Consent Order as an interim step to define certain actions that shall be taken while the examination proceeds.

NOW, THEREFORE, IT IS ORDERED that:

- A. The Direct Marketing Business Unit's marketing of Accident and Health Insurance products shall be limited to outbound telemarketing of forms and rates referenced in SERFF No. #AGDE-127951179. Unless otherwise agreed, the Direct Marketing Business Unit will only market the forms and rates referenced in SERFF No. #AGDE-127951179 through December 31, 2012.

- B. The Direct Marketing Business Unit may market via direct mail, telemarketing or otherwise, other products that have been filed and approved as required, provided that the approval has been issued after March 1, 2012.
- C. The Direct Marketing Business Unit shall implement all measures enumerated in this Consent Order in each jurisdiction in which it does business and, consistent with the terms of this Consent Order, may resume marketing activities in each jurisdiction in which it does business consistent with applicable law.
- D. By entering into this Consent Order, the Company does not admit or acknowledge any of the Department's findings or allegations as accurate or true.

Dated: 2/14/12


Mary Taylor
Lt. Governor/Director

Copies to:

Susan E. Voss, Iowa Insurance Commissioner

Michael F. Considine, Pennsylvania Insurance Commissioner

Mike Rothman, Minnesota Insurance Commissioner

Thomas B. Considine, New Jersey Commissioner

Elizabeth A. Tosaris, Esq., Counsel for National Union Fire Insurance Company of Pittsburgh, Pa.

Sean McEneaney, Esq., Counsel for National Union Fire Insurance Company of Pittsburgh, Pa.

Acknowledgement and Agreement:

1. The Company has been advised that it has the right to a hearing before the Department pursuant to R.C. Chapter 119; that, at a hearing, the Company would be entitled to appear in person, to be represented by an attorney or other representative who is permitted to practice before the agency; and that, at a hearing, the Company would be entitled to present its position, arguments or contentions in writing and to present evidence and examine witnesses appearing for and against the Company. The Company hereby waives all such rights.
2. The Company hereby waives any appeal rights it may have pursuant to Section 119.12 of the Revised Code.
3. The Company consents to the jurisdiction of the Department to determine the issues set forth herein. The Company expressly waives any prerequisites to jurisdiction that may exist.
4. The Company waives any and all causes of action, claims or rights, known or unknown, that the Company may have against the Department, and any employees, or officials of the Department, in their individual and official capacities, as a result of any acts or omissions on the part of such persons or firms arising out of this matter.
5. The Company has read and understands this Consent Order. The Company further understands that it has the right to seek legal counsel of its choice and to have legal counsel review this Consent Order.
6. This Consent Order shall be entered into the Journal of the Ohio Department of Insurance. The Company understands and acknowledges that this Consent Order is a public document pursuant to Section 149.43 of the Revised Code.
7. The person signing on behalf of the Company affirms that he or she has the authority to execute this Consent Order on behalf of the Company.

Date: 2/3/12

Name: Adam Reel Alan Reed

Title: Assistant Vice President

National Union Fire Insurance Company of Pittsburgh, Pa.