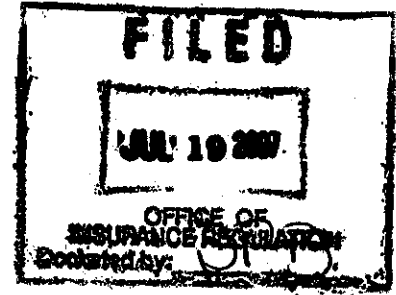




OFFICE OF INSURANCE REGULATION

KEVIN M. McCARTY
COMMISSIONER



IN THE MATTER OF:

CASE NO.: 89259-07

CHUBB GROUP;
FEDERAL INSURANCE COMPANY;
CHUBB INDEMNITY INSURANCE COMPANY;
CHUBB NATIONAL INSURANCE COMPANY;
GREAT NORTHERN INSURANCE COMPANY;
PACIFIC INDEMNITY COMPANY;
VIGILANT INSURANCE COMPANY
Workers' Compensation Excess Profits

FINAL ORDER

THIS CAUSE came before the undersigned Commissioner of the Office of Insurance Regulation for consideration of final agency action. On or about March 7, 2007, the Office of Insurance Regulation, (hereinafter referred to as the "OFFICE"), provided Notice to CHUBB GROUP; consisting of FEDERAL INSURANCE COMPANY; CHUBB INDEMNITY INSURANCE COMPANY; CHUBB NATIONAL INSURANCE COMPANY; GREAT NORTHERN INSURANCE COMPANY; PACIFIC INDEMNITY COMPANY; VIGILANT INSURANCE COMPANY, (hereinafter referred to as "CHUBB") that pursuant to Section 627.215, Florida Statutes, CHUBB'S data submitted to the OFFICE indicated that CHUBB has realized excessive profits for the statutory period covering calendar/accident years 2002, 2003 and 2004, in the amount of Thirteen

Million Ninety Nine Thousand Eight Hundred Ninety One Dollars and No/100 (\$13,099,891.00). The OFFICE simultaneously notified CHUBB of its right to request a hearing to challenge the OFFICE'S findings as indicated in the Notice, pursuant to Sections 120.569 and 120.57, Florida Statutes. CHUBB received the Office's Notice on April 10, 2007. CHUBB has stated that they will not petition the OFFICE for an administrative hearing.

Upon careful consideration of the record in this matter and being otherwise advised in the premises, it is ORDERED:

1. CHUBB has realized, and therefore owes to applicable policyholders, excessive profits for calendar/accident years 2002, 2003 and 2004, in the amount of Thirteen Million Ninety Nine Thousand Eight Hundred Ninety One Dollars and No/100 (\$13,099,891.00), pursuant to Section 627.215, Florida Statutes.

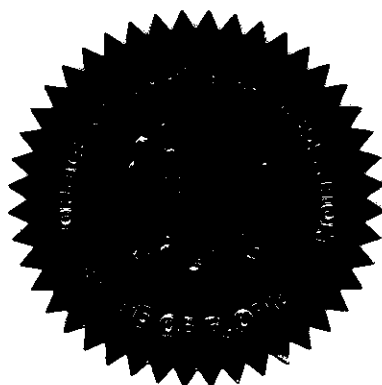
2. CHUBB shall provide refunds or policy renewal credits to policyholders in the amount of Thirteen Million Ninety Nine Thousand Eight Hundred Ninety One Dollars and No/100 (\$13,099,891.00) for calendar/accident years 2002, 2003 and 2004, as provided in Section 627.215, Florida Statutes, on or before the sixtieth (60th) day after which this Final Order is executed.

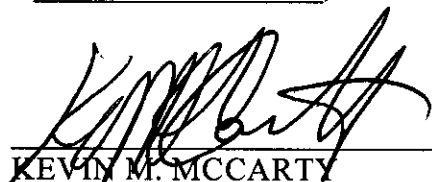
3. CHUBB shall attempt to locate policyholders whose refund checks are returned and CHUBB shall thereafter report and process any unclaimed excessive profits funds as unclaimed or abandoned property, pursuant to the provisions of Chapter 717, Florida Statutes.

4. Pursuant to Section 627.215(12)(b), Florida Statutes, CHUBB shall upon completion of the renewal credits or refund payments, immediately certify to the Office that the refunds have been made. Additionally, CHUBB shall also certify that it has attempted to locate policyholders whose refund checks are returned and that it has complied with the abandoned property provisions of Chapter 717, Florida Statutes, if necessary.

Any party to these proceedings adversely affected by this Order is entitled to seek review of this Order pursuant to Section 120.68, Florida Statutes, and Rule 9.110, Florida Rules of Appellate Procedure. Review proceedings must be instituted by filing a Notice of Appeal with the General Counsel, Office of Insurance Regulation, acting as the Agency Clerk, at 612 Larson Building, Tallahassee, Florida 32399-4206, and a copy of the same and the filing fee with the appropriate District Court of Appeal within thirty (30) days of the rendition of this Order.

DONE and ORDERED this 19TH day of JULY, 2007.





KEVIN M. MCCARTY
Commissioner
Office of Insurance Regulation

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by Certified U.S. Mail to FEDERAL INSURANCE COMPANY, Attention: John Daniel Finnegan, President, 15 Mountain View Road, Warren, New Jersey, 07059-6711, this 19 day of July, 2007.



Christopher L. Meadows
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