CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between AMERICAN FIRE AND CASUALTY COMPANY (hereinafter referred to as AMERICAN FIRE AND CASUALTY) and the FLORIDA DEPARTMENT OF INSURANCE (hereinafter referred to as the DEPARTMENT). Following a complete review of the entire record and upon consideration thereof, and being otherwise fully advised in the premises, the Treasurer and Insurance Commissioner, as head of the DEPARTMENT, hereby finds as follows:

1. The Treasurer and Insurance Commissioner, as head of the DEPARTMENT, has jurisdiction over the subject matter of and parties to this proceeding.

2. AMERICAN FIRE AND CASUALTY is a foreign property and casualty insurer authorized to transact insurance business in Florida and is subject to the jurisdiction and regulation of the DEPARTMENT pursuant to the Florida Insurance Code.
3. The DEPARTMENT conducted a property and casualty market conduct examination of AMERICAN FIRE AND CASUALTY covering the period of January 1999 through December 2000, pursuant to Section 624.3161, Florida Statutes. As a result of such examination, the DEPARTMENT determined that AMERICAN FIRE AND CASUALTY committed the following violations of the Florida Insurance Code or Florida Administrative Code as outlined in total in the Fine Worksheet provided with the Report of Examination Findings.

a. Homeowners

1. Section 627.062, F.S.-Failure to Follow Filed Rate, Rating Schedule or Rating Rule-Incorrect Territory.


3. Section 627.062, F.S.-Use of Unfiled Rate, Rating Schedule or Rating Rule-Employee Discount.

4. The DEPARTMENT and AMERICAN FIRE AND CASUALTY expressly waive a hearing in this matter and the making of Findings of Fact and Conclusions of Law by the DEPARTMENT and all further and other proceedings herein to which the parties may be entitled by law. AMERICAN FIRE AND CASUALTY hereby knowingly and voluntarily waives the rights to challenge or to contest this Order, in any forum now available to it, including the right to any administrative proceeding, circuit or federal court action, or any appeal.
5. **AMERICAN FIRE AND CASUALTY** agrees that upon the execution of this Consent Order it shall be subject to the following terms and conditions:

   (a) **AMERICAN FIRE AND CASUALTY** shall pay an administrative penalty of $1,000 and administrative costs of $100 on or before the 30th day after this Consent Order is executed.

   (b) **AMERICAN FIRE AND CASUALTY** shall henceforth comply with all of the provisions of the Florida Insurance Code and Florida Administrative Code, and will implement the recommendations contained in this report within 90 days after execution of Consent Order, including any pending refunds.

   (c) **AMERICAN FIRE AND CASUALTY** 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 **AMERICAN FIRE AND CASUALTY** may be deemed willful, subjecting **AMERICAN FIRE AND CASUALTY** to appropriate penalties.

6. **AMERICAN FIRE AND CASUALTY** agrees that the failure to adhere to one or more of the above terms and conditions of this Order shall constitute a violation of a lawful order of the **DEPARTMENT**, and shall subject **AMERICAN FIRE AND CASUALTY** to such administrative action as the Treasurer and Insurance Commissioner may deem appropriate.

7. Except as noted above, each party to this action shall bear its own costs and attorney’s fees.
8. THEREFORE, the agreement between AMERICAN FIRE AND CASUALTY COMPANY and the DEPARTMENT, the terms and conditions of that are set forth above, is approved.

FURTHER, all terms and conditions above are hereby ORDERED. DONE AND ORDERED this ____day of____, 2001.

_______________________________________
KEVIN MCCARTY
DEPUTY INSURANCE COMMISSIONER

By execution hereof AMERICAN FIRE AND CASUALTY 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 herein. I am authorized to execute this document.

AMERICAN FIRE AND CASUALTY COMPANY

By:____________________________________
Title:___________________________________
Date:___________________________________
COPIES FURNISHED TO:

Mr. Dan R. Carmichael, President
American Fire and Casualty Company
9450 Seward Road
Fairfield, Ohio  45014

Cheryl C. Jones, AIE
Field Insurance Regional Administrator
Division of Insurer Services
Bureau of P&C Insurer Solvency and
Market Conduct Review
200 East Gaines Street, Suite 131B
Tallahassee, Florida  32399-0329

David Hershel, Esquire
Florida Department of Insurance
Legal Services Division
200 E. Gaines Street, 612 Larson Bldg.
Tallahassee, FL  32399-0333