

MAR 23 2012

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

FILED

STATE OF NEBRASKA)	
DEPARTMENT OF INSURANCE,)	CAUSE NO. C-1937
)	
PETITIONER,)	
)	
VS.)	
)	
WASHINGTON NATIONAL)	CONSENT ORDER
INSURANCE COMPANY,)	
)	
RESPONDENT.)	

JURISDICTION

1. The Department has jurisdiction over the subject matter and Respondent pursuant to statutes that include, but are not limited to: NEB. REV. STAT. §§ 44-101.01, 44-135, and 44-303 ET SEQ.; the Unfair Insurance Claims Settlement Practices Act, NEB. REV. STAT. § 44-1536 ET SEQ.; and 210 NEB. ADMIN. R. & REG. 61. Said jurisdiction and control have been present at all times material hereto.

2. Respondent is an Indiana domiciled insurer licensed to transact the business of insurance under the laws of Nebraska at all times material hereto.

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STIPULATION OF FACT

3. On January 31, 2012, the Department of Insurance for the State of Nebraska, ("Department") initiated an administrative proceeding by filing a Petition and Notice of Hearing styled State of Nebraska Department of Insurance vs. Washington National Insurance Company, Cause No. C-1937. A copy of the Petition and Notice of Hearing was served by certified mail, return receipt requested, upon Washington National Insurance Company ("Respondent"), at Respondent's agent for service of process, CSC-Lawyers Incorporating, 233 S. 13th Street, Suite 1900, Lincoln, NE 68508. In order to resolve the allegations contained in the Petition and Notice of Hearing, the Department, by and through its counsel of record, Joel F. Green, and Respondent, by and through its authorized representative, mutually stipulate and agree as follows:

4. As a result of consumer complaints investigated by the Department, the Department filed a Petition and Notice of Hearing alleging Respondent violated various provisions of the Nebraska Insurance Code and rules and regulations including but not limited to NEB. REV. STAT. §§ 44-710.03(6), 44-1540(3), 44-1540(4), 44-1540(7), 44-1540(8), 44-1540(13), 44-1540(14) and 210 NEB. ADMIN. R. & REG. 61-008.01 and 61-008.02.

5. In the spirit of cooperation and in order to avoid further expense, loss of time and disruption of Respondent's operations in the state, Respondent enters into this Consent Order freely and voluntarily. Respondent was informed of its right to a public hearing. Respondent waives its right to a hearing and acknowledges that by doing so, Respondent

also waives its right to confrontation of witnesses, production of evidence, and judicial review.

6. Respondent denies the allegations set forth in the Petition and Notice of Hearing as referenced in Paragraph 4, but is willing to amicably resolve all pending matters in order to avoid the uncertainty and expense of litigation.

CONCLUSIONS OF LAW

7. Respondent's conduct as alleged constitutes a violation of NEB. REV. STAT. §§ 44-710.03(6), 44-1540(3), 44-1540(4), 44-1540(7), 44-1540(8), 44-1540(13), 44-1540(14) and 210 NEB. ADMIN. R. & REG. 61-008.01 and 61-008.02.

CONSENT ORDER

It is therefore ordered by the Director of Insurance and agreed by Respondent, Washington National Insurance Company, that Respondent shall pay an administrative fine in the amount of twelve thousand five hundred dollars (\$12,500.00) due within 30 days after the Director of Insurance or her designee approves and signs this consent order. Respondent also agrees to address its claims review and handling process in order to rectify the issues that arose from the substance of the Petition filed in this matter.

All payments hereunder shall be made on or before thirty (30) days from the date the Director adopts this Consent Order as a final Order in this matter. Furthermore, if Respondent fails to pay the aforementioned administrative fine when due, or fails to

comply with other terms of the Consent Order, the Department shall retain jurisdiction to make application for any such further orders as may be necessary.

Joel F. Green
Joel F. Green, #22900
Legal Counsel
941 O Street, Suite 400
Lincoln, NE 68508
(402) 471-2201
FOR PETITIONER

William D. Fritts Jr.
Authorized Representative (Signature)
Washington National Insurance Company
FOR RESPONDENT

WILLIAM D FRITTS JR.
Authorized Representative (Print Name)

3-23-2012
Date

3/17/12
Date

State of Indiana)
County of Marion) ss.

On this 17th day of March, 2012,
C. Renee Wake, an authorized representative of Respondent,
personally appeared before me on behalf of Respondent and read this Consent Order,
executed the same and acknowledged the same to be her voluntary act and deed.

C. Renee Wake
Notary Public



Notary Public - State of Indiana
Marion County
My Commission Expires:
September 2, 2016

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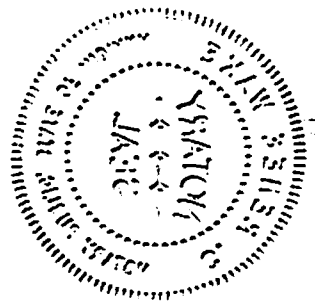
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Notary Public - State of Kansas
Madison County
My Commission Expires
2:00pm 12/31/2018

CERTIFICATE OF ADOPTION

I hereby certify that the foregoing Consent Order is adopted as the Final Order of the Nebraska Department of Insurance in the matter of the State of Nebraska Department of Insurance vs. Washington National Insurance Company, Cause No. C-1937.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE

Bruce R. Ramge
BRUCE R. RAMGE
Director of Insurance

3-23-2012
Date

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Consent Order was served upon Respondent by mailing a copy to Respondent's agent for service of process, CSC-Lawyers Incorporating, at 233 S. 13th Street, Suite 1900, Lincoln, NE 68508, by certified mail, return receipt requested, on this 23rd day of March, 2012.

I hereby further certify that an additional copy of the foregoing Consent Order was also provided to Respondent by mailing a copy to Respondent, Attn: Lisa Harpenau, 11825 N. Pennsylvania Street, P.O. Box 1911, Carmel, IN 46082-1911 on this 23rd day of March, 2012.

A handwritten signature in blue ink, reading "Tracy A. Leake", is written over a horizontal line.