

**IN THE DEPARTMENT OF COMMERCE AND INSURANCE
STATE OF MISSOURI**

In Re:)
)
NATIONAL UNION FIRE INSURANCE) **Market Conduct Investigation No. 317687**
COMPANY OF PITTSBURGH PA)
(NAIC #19445))

ORDER OF THE DIRECTOR

NOW, on this 19th day of February, 2020, Director, Chlora Lindley-Myers, after consideration and review of the Stipulation of Settlement (hereinafter “Stipulation”) entered into by the Division of Insurance Market Regulation (hereinafter “Division”), and National Union Fire Insurance Company of Pittsburgh PA (NAIC #19445) (hereinafter “NUFIC”), relating to the market conduct investigation set out in the caption above, does hereby issue the following orders:

This order, issued pursuant to §374.046.15¹ and §374.280 is in the public interest.

IT IS THEREFORE ORDERED that NUFIC and the Division having agreed to the Stipulation, the Director does hereby approve and agree to the Stipulation.

IT IS FURTHER ORDERED that NUFIC shall not engage in any of the violations of law and regulations set forth in the Stipulation, shall implement procedures to place it in full compliance with the requirements in the Stipulation and the statutes and regulations of the State of Missouri, and to maintain those corrective actions at all times, and shall fully comply with all terms of the Stipulation.

IT IS SO ORDERED.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of my office in Jefferson City, Missouri, this 19th day of February, 2020.


Chlora Lindley-Myers
Director



¹ All references, unless otherwise noted, are to Missouri Revised Statutes 2016, as amended.

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STIPULATION OF SETTLEMENT

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter, the “Division”), and National Union Fire Insurance Company of Pittsburgh PA (NAIC #19445) (hereinafter “NUFIC”), as follows:

WHEREAS, the Division is a unit of the Missouri Department of Commerce and Insurance (hereinafter, the “Department”), an agency of the State of Missouri, created and established for administering and enforcing all laws in relation to insurance companies doing business in the State of Missouri; and

WHEREAS, NUFIC has been granted a certificate of authority to transact the business of insurance in the State of Missouri;

WHEREAS, the Division conducted a Market Conduct Investigation of NUFIC, Investigation No. 317687;

WHEREAS, based on the Market Conduct Investigation of NUFIC, the Division alleges that:

1. NUFIC did not file all forms, rates and rules for private/personal casualty aircraft policies issued to Missouri risks in violation of §379.321¹.
2. NUFIC did not file forms for commercial casualty aircraft policies issued to Missouri

¹ All references, unless otherwise noted, are to Revised Statutes of Missouri 2016, as amended.

risks.

WHEREAS, the Division, and NUFIC have agreed to resolve the issues raised in the Market Conduct Investigation as follows:

A. **Scope of Agreement.** This Stipulation of Settlement (hereinafter, "Stipulation") embodies the entire agreement and understanding of the signatories with respect to the subject matter contained herein. This Stipulation does not resolve issues which are not addressed in this Stipulation, but which are the subject of Market Conduct Examination No. 349523. The signatories hereby declare and represent that no promise, inducement or agreement not herein expressed has been made, and acknowledge that the terms and conditions of this agreement are contractual and not a mere recital.

B. **Remedial Action.** NUFIC agrees to take remedial action bringing it into compliance with the statutes and regulations of Missouri and agree to maintain those remedial actions at all times. Such remedial actions shall include, but are not limited to, the following:

1. NUFIC agrees to timely file all forms, rates and rules for private/personal casualty aircraft policies sold or solicited to Missouri risks with the Director of the Department (hereinafter "Director"). The SERFF filing will include the statement that "as a result of a Missouri Market Conduct Investigation, the attached forms, rates and rules are being filed for approval by the director."

2. NUFIC agrees to timely file all forms for commercial casualty aircraft policies sold or solicited to Missouri risks with the Director. The SERFF filing will include a statement indicating that "as a result of a Missouri Market Conduct Investigation, the attached forms are being filed for approval by the director."

C. **Compliance.** NUFIC agrees to file documentation with the Division, in a format

acceptable to the Division, within 180 days of the entry of a final order of any remedial action taken to implement compliance with the terms of this Stipulation. Such documentation is provided pursuant to §374.190.

D. **No Penalties.** The Division agrees that it will not seek penalties against NUFIC in connection with the above referenced Market Conduct Investigation.

E. **Non-Admission.** Nothing in this Stipulation shall be construed as an admission by NUFIC, this Stipulation being part of a compromise settlement to resolve disputed factual and legal allegations arising out of the above referenced Market Conduct Investigation.

F. **Waivers.** NUFIC after being advised by legal counsel, do hereby voluntarily and knowingly waive any and all rights for procedural requirements, including notice and an opportunity for a hearing, and review or appeal by any trial or appellate court, which may have otherwise applied to the Market Conduct Investigation No. 317687.

G. **Changes.** No changes to this Stipulation shall be effective unless made in writing and agreed to by representatives of the Division and NUFIC.

H. **Governing Law.** This Stipulation shall be governed and construed in accordance with the laws of the State of Missouri.

I. **Authority.** The signatories below represent, acknowledge and warrant that they are authorized to sign this Stipulation, on behalf of the Division and NUFIC respectively.

J. **Counterparts.** This Stipulation may be executed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single document. Execution by facsimile or by electronically transmitted signature shall be fully and legally effective and binding.

K. **Effect of Stipulation.** This Stipulation shall not become effective until entry of a

Final Order by the Director approving this Stipulation.

L. **Request for an Order.** The signatories below request that the Director issue an Order approving this Stipulation and ordering the relief agreed to in the Stipulation, and consent to the issuance of such Order.

DATED: 2/13/2020




Angela L. Nelson, Director
Division of Insurance Market Regulation

DATED: 2/13/2020



Stewart Freilich
Chief Market Conduct Examiner and Senior Counsel
Division of Insurance Market Regulation

DATED: 2/16/2020



Steven R. Harris, Vice President
National Union Fire Insurance Company
of Pittsburgh, PA