

**BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF DELAWARE**

IN THE MATTER OF:)	
)	
21st CENTURY CENTENNIAL INSURANCE COMPANY)	
)	DOCKET NO. 2962-2015
)	
NAIC #34789)	
)	
)	
3 Beaver Valley Road Wilmington, DE 19803)	

STIPULATION AND CONSENT ORDER

THIS STIPULATION AND CONSENT ORDER is entered into as of January 20, 2016, by and between 21st Century Centennial Insurance Company (the “Respondent”) and the State of Delaware Department of Insurance (“Department”). The Respondent and the Department are collectively referred to herein as the “Parties.”

WHEREAS, Respondent is a property and casualty insurance company incorporated under Pennsylvania law and authorized to conduct the business of insurance in the State of Delaware; and

WHEREAS, the Department, through its examiners, conducted a routine market conduct examination (“Examination”) of Respondent’s affairs and practices as of December 31, 2012; and

WHEREAS, the Department, through its examiners, prepared and provided to Respondent for review and comments draft versions of a report of the Examination; and

WHEREAS, Respondent has reviewed and commented on such draft versions of the report of the Examination; and

WHEREAS, after considering Respondent's comments, the Department, through its examiners, has prepared a final report of the Examination, dated as of December 31, 2012 ("Final Examination Report"); and

WHEREAS, among other findings contained in the Final Examination Report, the Department concluded that the Respondent's practices and procedures did not comply with 18 Del. Admin. Code § 609-5.1.7, in that it failed to (i) properly notify insureds at least ten days in advance of the effective date of a surcharge, and (ii) include in the insureds' notices the amount of the surcharge being applied (collectively hereinafter the "Notice Violations"); and

WHEREAS, after communications with the Department, Respondent desires to resolve this matter without recourse to any administrative hearing or court action (such as an appeal).

NOW, THEREFORE, IT IS AGREED, by and between Respondent and the Department as follows:

1. Respondent neither admits nor denies the allegations herein or in the Final Examination Report and, in the interest of terminating administrative action without the expense and uncertainty of a formal hearing or other litigation, agrees to enter into this Stipulation and Consent Order and waive any further hearing concerning the subject matter of the Final Examination Report.

2. Upon its execution of this Stipulation and Consent Order, Respondent shall pay to the Department an administrative penalty for the Notice of Violations in the amount of Twenty-Seven Thousand Five Hundred Dollars (\$27,500.00). Respondent shall make its check for the administrative penalty payable to the "State of Delaware."

3. The Department reserves the right to issue a press release and to send a letter to the Respondent's policyholders concerning the terms of this Stipulation and Consent Order and such other related matters as the Department shall deem appropriate. Upon request by the Department, Respondent shall provide the Department with updated contract information for the policyholders. The Department agrees to provide to Respondent a copy of any such press release or policyholder letter in advance of release or mailing, so that Respondent may review

them and provide any comments to the Department; provided, the Department shall retain absolute discretion over the final language in any press release or letter covered by this paragraph.

4. Respondent waives any right to challenge in an administrative or court proceeding any of the terms and conditions of this Stipulation and Consent Order.

5. This Stipulation and Consent Order is the free and voluntary act of the Respondent, and its terms are binding upon the Respondent and may be admitted into evidence in any judicial or administrative proceeding against the Respondent to enforce such terms. Respondent acknowledges that it has had a full opportunity to seek and receive advice of counsel on all matters related to this Stipulation and Consent Order.

6. This Stipulation and Consent Order contains all of the terms and conditions agreed to by the parties and constitutes the final agreement between the Respondent and the Department.

7. No change, amendment, or modification hereto shall be effective or binding unless it is in writing, dated, and signed by the parties.

8. If the Department fails to act on any one or more defaults by the Respondent under this Stipulation and Consent Order, such failure to act shall not be a waiver of any rights hereunder on the part of the Department to declare the Respondent in default of this Stipulation and Consent Order and to take such action as may be permitted by this Stipulation and Consent Order or by law.

9. This Stipulation and Consent Order may be signed in duplicate, and both documents shall be considered originals. The person executing this Stipulation and Consent Order on behalf of Respondent shall acknowledge his or her signature before a Notary Public and, by executing this Stipulation and Consent Order, certifies that he or she is duly authorized to execute this Stipulation and Consent Order on behalf of Respondent. Respondent agrees that an uncertified copy of this Stipulation and Consent Order shall be valid as evidence in any proceeding for purposes of enforcement.

10. This Stipulation and Consent Order shall survive the Respondent and be enforceable against its successors, transferors, or assigns.

**21st CENTURY CENTENNIAL
INSURANCE COMPANY:**

DELAWARE INSURANCE DEPARTMENT:

Maura C Popp
Print Name: MAURA C POPP
Title: SECRETARY
Date: 1/20/16

KAREN WELDIN STEWART, CIR-ML
Insurance Commissioner
Date: 1/21/2016

Witness to Respondent's Signature

Name: MARK CAWLEY
Title: Senior Corporate Counsel
Date: 1/20/16

STATE OF Delaware)
) SS.
COUNTY OF New Castle)

The foregoing instrument was acknowledge before me this 20th day of JANUARY, 2016, by Maura C. Popp, who is personally known to me or who has produced N/A as identification, and who certified that he or she is duly authorized to execute this document on behalf of Respondent.

GIVEN under my Hand and Seal of office, the date and year aforesaid.



Valerie P. Hutchinson
NOTARY PUBLIC
Valerie P. Hutchinson
PRINT NAME
3-24-18
MY COMMISSION EXPIRES