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MAY 16 2002

STATE OF SOUTH CAROLINA
DEPARTMENT OF INSURANCE
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**Before the State of South Carolina**
**Department of Insurance**

In the matter of:

Golden Rule Insurance Company

7440 Woodland Drive
Indianapolis, IN 46278-1719

SCDI File Number 112894

**Consent Order**
**Imposing Administrative Penalty**

This matter comes before me pursuant to an agreement entered into between the State of South Carolina Department of Insurance and Golden Rule Insurance Company (Company), an insurer licensed to transact insurance business within the State of South Carolina.

Golden Rule Insurance Company hereby admits, and I find as fact, that it failed to timely file its March 2002 Quarterly (annual adjusted) Tax Return Installment. This insurer previously, on two separate occasions, also failed to timely file a previous installment with the Department, for which it was given a first-offense warning letter for each offense. The Company maintains these actions were completely unintentional.

Rather than contest this matter, the Company and the Department have agreed to submit the entire matter to me, along with their specific recommendation, for my summary decision. That consensual recommendation was that the Company would waive its right to a public hearing and would submit an administrative penalty to the Department in the total amount of $2,000.

Section 38-7-60(3) of the South Carolina Code in pertinent part states, "premium and other taxes imposed on insurers pursuant to Sections 38-7-20, 38-7-30, 38-7-40, 38-7-50, and 38-7-90 must be paid to the Director or his designee in quarterly installments on or before March first, June first, September first, and December first of each calendar year." Sections 38-7-60 (4) and 38-5-120 (A) (2) (Supp. 2000) allow the Director of Insurance to impose disciplinary action against an insurer that does not comply with South Carolina's insurance laws.

After a thorough review of the matter, carefully considering the recommendation of the parties, and pursuant to my findings of fact, I hereby conclude as a matter of law that the Company did comply with S.C. Code Ann. § 38-7-60(3) (Supp. 2000). Accordingly, I hereby impose an administrative penalty in the amount of $2,000 against the Company pursuant to the discretion provided to me by the State of South Carolina General Assembly in S.C. Code Ann. §§ 38-5-130 and 38-2-10 (Supp. 2000). This administrative penalty must be paid within ten days of my date and my signature upon this consent order. If the Company has not paid that total amount on, or before, that date, then its certificate of authority to transact business as an insurer within the State of South Carolina will be summarily revoked without any further administrative disciplinary proceedings.

_____ Golden Rule Insurance Company

The parties have reached this administrative penalty as a result of negotiation and compromise, and in consideration of the internal corrective internal measures the Company has implemented to prevent this problem from recurring and of the Company's assurance that it will timely file each of its future tax returns with the Department. This penalty includes all expenses related to investigation of this matter as provided in § 38-13-70 of the South Carolina Code. The parties expressly agree and understand the Company's payment of the agreed-upon penalty constitutes full accord and satisfaction of this matter.

By the signature of one of its officers or authorized representatives upon this consent order, the Company acknowledges that it understands that this administrative disciplinary order is a public record subject to the disclosure requirements of the State of South Carolina's *Freedom of Information Act,* S.C. Code Ann. §§ 30-4-10, *et seq.* (1991 and Supp. 2000).

Nothing contained within this administrative disciplinary order should be construed to limit, or to deprive any person of, any private right of action under the law. Nothing contained within this administrative disciplinary order should be construed to limit, in any manner, the criminal jurisdiction of any law enforcement or judicial officer. Nothing contained within this administrative disciplinary order should be construed to limit the statutory duty, pursuant to S.C. Code Ann. § 38-3-110 (Supp. 2000), of the Director of Insurance, exercised either directly or through the Department, to "report to the Attorney General or other appropriate law enforcement officials criminal violations of the laws relative to the business of insurance or the provisions of this title which he considers necessary to report."

It is, therefore, ordered that Golden Rule Insurance Company shall, within ten days of my date and my signature upon this consent order, pay through the Department an administrative penalty in the total amount of $2,000.

It is further ordered that a copy of this consent order shall be immediately transmitted to the National Association of Insurance Commissioners for distribution to its member states.

This consent order becomes effective on the date of my signature below.

Ernst N. Csiszar
Director

May 16, 2002
Columbia, South Carolina

_____ Golden Rule Insurance Company

I CONSENT:

Kara Carpenter
Signature of Authorized Representative

Kara Carpenter
Name

Vice President of Financial Planning
Title
Golden Rule Insurance Company
7440 Woodland Drive
Indianapolis, IN 46278-1719

Dated this 15th day of May, 2002