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BEFORE THE COMMISSIONER OF INSURANCE
OF THE STATE OF UTAH

In Re:	:	
	:	
MULTISTATE REGULATORY	:	ADOPTION OF
SETTLEMENT AGREEMENT WITH:	:	REGULATORY
	:	SETTLEMENT
	:	AGREEMENT
BERKSHIRE HATHAWAY SPECIALTY	:	
INSURANCE COMPANY and NATIONAL	:	
INDEMNITY COMPANY	:	
	:	Docket No. 2017- 108AD
	:	
	:	Lisa Watts Baskin
	:	Presiding Officer

WHEREAS, a regulatory settlement agreement (“Regulatory Settlement Agreement” or “RSA”) has been entered into between (a) Berkshire Hathaway Specialty Insurance Company and National Indemnity Company, together with their affiliates and each of their predecessors,

successors, assigns and legal representatives (collectively referred to herein as “Berkshire Hathaway and National Indemnity” or the “Companies”) and (b) the insurance regulators of Missouri, Minnesota, Ohio, Oklahoma, Pennsylvania and Utah (“Lead States”), which RSA was signed by Berkshire Hathaway and National Indemnity on December 12, 2017, and by each Lead State and the other participating states (“Participating States” or “Departments”) to sign no later than January 25, 2018;

WHEREAS, the Departments have regulatory jurisdiction over the business of insurance conducted in their respective jurisdictions;

WHEREAS, the Departments are the Lead and Participating States in the Multi-State Examination that were called to assess Berkshire Hathaway’s and National Indemnity’s activities related to certain concerns of an un-level playing field in the market for travel insurance. The purpose of the review was to assess Berkshire Hathaway’s and National Indemnity’s underwriting and rating, policyholder services, claims, producer licensing, marketing and sales, complaints and operations/management relating to travel insurance. Specifically, regulators were concerned that insurers were failing to comply with licensing laws, failing to file forms, rates or rules in all states, using rate ranges in an unfairly discriminatory manner, engaging in unfair claims practices, engaging in unfair trade practices and tying the purchase of travel insurance with the purchase of non-insurance assistance services;

WHEREAS, as a result of the findings Berkshire Hathaway and National Indemnity agree to: (1) adhere to licensing laws of each Participating State; (2) cease offering sales through a trust

in states whose laws do not authorize such sales; (3) comply with rate transparency by complying with the Merlino Actuarial Report which contains Forward Looking Guidelines for rate filings; (4) pre-existing condition claims will be adjudicated based on the laws of each state, and that pre-existing condition waivers will waive all pre-existing conditions; (5) cease prohibiting the use of opt-out sales practices unless such sales are authorized under state law; and (6) cease prohibiting the use of bundling in states whose laws prohibit the practice and will comply with required disclosures in states that permit bundling;

WHEREAS, Berkshire Hathaway and National Indemnity and the Departments desire to resolve the differences between the Parties as an alternative to a lengthy adjudicatory process for making and enforcing any such formal findings, the Parties determined that entering into a RSA would be in the best interest of consumers;

WHEREAS, the RSA will become effective upon the date the RSA has been executed by Berkshire Hathaway and National Indemnity, the Lead States, and 24 Participating States; and

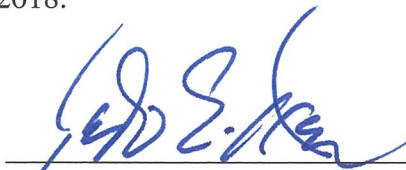
WHEREAS, the Commissioner of Insurance of the State of Utah has determined that it is in the best interests of the citizens of the State of Utah that the Utah Insurance Department participate in the settlement of the subject matter of the RSA;

NOW THEREFORE, IT IS HEREBY ORDERED:

The Commissioner of Insurance of the State of Utah, as executive director of the Utah Insurance Department, hereby adopts, agrees to, and approves the Regulatory Settlement Agreement by and between Berkshire Hathaway and National Indemnity and the Participating

States (including the Lead States) that was signed by Berkshire Hathaway and National Indemnity on December 12, 2017, and by the Participating States by January 25, 2018. (A copy of the Regulatory Settlement Agreement is attached hereto and incorporated herein by this reference as Exhibit A.)

DATED this 28 day of February, 2018.



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