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UTAH STATE
INSURANCE DEPT.

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**BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF UTAH**

UTAH INSURANCE DEPARTMENT,

Complainant,

vs.

NOVA CASUALTY COMPANY

5 Waterside Crossing, Suite 201

Windsor, CT 06095

Utah Company ID # 1635,

Respondent.

**STIPULATION
AND ORDER**

**Docket No. 2014-066 PC
Enforcement Case No. 3491**

**Judge Mark Kleinfeld
Administrative Law Judge**

The Utah Insurance Department (“Department”), by and through its attorney, Perri Ann Babalis, Assistant Attorney General, and NOVA Casualty Company, (“Respondent”), a New York domiciled insurer authorized to do business in the State of Utah, hereby stipulate and agree as follows:

STIPULATION

1. Respondent, NOVA Casualty Company, is an insurer domiciled in the State of New York, authorized to do business in the State of Utah pursuant to Utah Company Identification No. 1635. Respondent's mailing address is 5 Waterside Crossing, Suite 201, Windsor, CT 06095.

2. Respondent admits that the Utah Insurance Commissioner has jurisdiction over Respondent and over the subject matter of this action.

3. Respondent acknowledges notice of agency action pursuant to Utah Code Ann. § 63G-4-210; further acknowledges that this Stipulation and Order is an informal proceeding pursuant to Utah Code Ann. § 63G-4-202; and waives the right to any hearing in this matter.

4. Respondent affirms that Respondent enters into this stipulation voluntarily and knowingly.

5. Respondent affirms that the only promises, agreements, or understandings the Respondent has obtained from the Department or from an agent or representative of the Department regarding this stipulation are contained herein.

6. Respondent acknowledges that Respondent has the right to be represented by legal counsel and Respondent has either sought the advice of an attorney or has voluntarily chosen not to do so.

7. The parties acknowledge that upon approval by the Respondent and the Department, this stipulation shall be made a part of the attached final Order, and shall be the final compromise and settlement of this matter, and is not subject to agency review, reconsideration, renegotiation, modification, appeal, or hearing.

8. Respondent admits that it improperly used Network Adjusters d/b/a TCS-One as both an insurance adjuster and a third party administrator, as Network Adjusters d/b/a TCS-One was not properly licensed at the time of this matter in the state of Utah, but has subsequently become licensed within the state of Utah. These practices are in violation of Utah Code Ann. §§ 31A-25-201 and 31A-26-201.

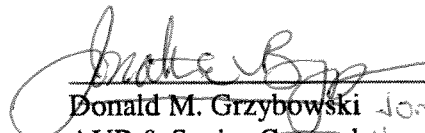
9. Respondent admits that the above acts and practices constitute violations of the Utah Insurance Code. Specifically, Respondent admits that Respondent has violated:


- a. Utah Code Ann. § 31A-25-201, License and authority from insurers required; and
- b. Utah Code Ann. § 31A-26-201, Insurance Adjusters Requirement of license.

11. As full settlement of all of the issues raised in the stipulation, Respondent agrees as follows:

- a. Respondent agrees to pay a forfeiture in the amount of \$23,000.00, due and payable to the Department within 30 days of the date of the Order.

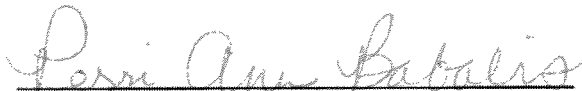
DATED this 8 day of July, 2014.


Donald M. Grzybowski
AVP & Senior Counsel
NOVA Casualty Company


Jonathan E. Brynga
Vice President & Chief Compliance Officer

DATED this 4th day of August, 2014.

SEAN D. REYES
Attorney General


Perri Ann Babalis
Assistant Attorney General

Based upon the foregoing Stipulation, and for good cause appearing, the Administrative Law Judge hereby enters the following:

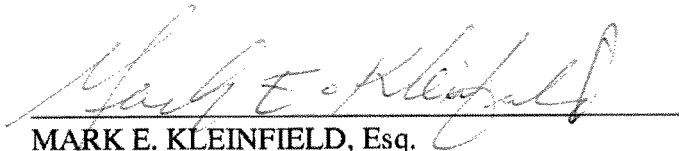
ORDER

IT IS HEREBY ORDERED:

1. Respondent, NOVA Casualty Company, is ordered to pay a forfeiture in the amount of \$23,000.00, due and payable to the Utah Insurance Department within 30 days from the date of this Order.

DATED this 5th day of August, 2014.

TODD E. KISER
INSURANCE COMMISSIONER



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Administrative Law Judge
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NOTIFICATIONS

1. Respondent is hereby notified that failure to abide by the terms of this Order may subject you to further penalties, including additional forfeitures of up to \$5,000.00 per violation.

2. You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.