

1N2106287/SMK

**STATE OF MINNESOTA
COMMISSIONER OF COMMERCE**

In the Matter of the Certificate of Authority of
Auto-Owners Insurance Company,
a Michigan corporation licensed to do
business in the State of Minnesota.
NAIC No. 18988.

CONSENT ORDER

TO: Auto-Owners Insurance Company
P.O. Box 30660
Lansing, MI 48909

Commissioner of Commerce Glenn Wilson (hereinafter "Commissioner") has determined as follows:

1. The Commissioner has advised Auto-Owners Insurance Company (hereinafter "Respondent") that as a result of an investigation by the Commissioner concerning Respondent's conduct as a corporation engaged in the business of insurance in Minnesota, the Commissioner is prepared to commence formal proceedings in accordance with the provisions of Minn. Stat. § 45.027 (2002) against Respondent's Certificate of Authority to engage in the business of insurance in Minnesota based on allegations that Respondent non-renewed commercially rated automobile insurance policies issued to natural persons in violation of Minn. R. 2770.8000 and 2770.8100 (2001).

2. Respondent having denied the allegations, acknowledges that it has been advised of its rights to a hearing in this matter, to present argument to the Commissioner and to appeal from any adverse determination after a hearing, and Respondent hereby expressly waives

those rights. Respondent further acknowledges that it has been represented by legal counsel throughout these proceedings.

3. The Consent to Entry of Order executed by Respondent, and appended hereto, is incorporated by reference to this Order.

4. Respondent has agreed to an informal disposition of this matter without a hearing, as provided under Minn. Stat. § 14.59 (2002) and Minn. R. 1400.5900 (2001).

5. The following Order is in the public interest.

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Minn. Stat. § 45.027, Subd. 6 (2002) that Respondent shall pay to the State of Minnesota a civil penalty of \$5,000.


This Order shall be effective upon signature by or on behalf of the Commissioner.

Dated: _____

4/28/03

GLENN WILSON
Commissioner

By: _____


PATRICK L. NELSON
Deputy Commissioner
Market Assurance

85 Seventh Place East, Suite 500
St. Paul, Minnesota 55101
Telephone: (651)296-2594

CONSENT TO ENTRY OF ORDER

The undersigned, acting on behalf of Auto-Owners Insurance Company, states that he has read the foregoing Consent Order; that he knows and fully understands its contents and effect; that he is authorized to execute this Consent to Entry of Order on behalf of Respondent; that he has been advised of Respondent's right to a hearing; that Respondent has been represented by legal counsel in this matter and that he consents to entry of this Order by the Commissioner of Commerce. This Order resolves any and all claims by the Commissioner arising out of the activities of Respondent set forth above in the Order relating to its non-renewal of commercially rated automobile insurance policies issued to natural persons, prior to the date of signing this Consent Order. The Commissioner and the Respondent agree that this Consent Order does not address the Respondent's non-renewal of commercially rated automobile insurance policies issued to legal entities, that it represents an informal settlement and that there have been no hearings, findings or fact or conclusions of law with respect to the allegations of the Commissioner.

AUTO-OWNERS INSURANCE COMPANY

By: William Woodbury

Its: Senior Attorney

STATE OF MICHIGAN

COUNTY OF EATON

This instrument was acknowledged before me on 2-19-03 (date) by William Woodbury

(name(s) of person(s)) as Senior Attorney (type of authority, e.g., officer, trustee, etc.) of

Auto-Owners Ins Co (name of party on behalf of whom the instrument was executed).

(stamp)

Robert C. Ellis

(Signature of notary officer)

Senior Attorney

Title (and Rank)

My commission expires: _____

ROBERT C. ELLIS
Notary Public, Shiawassee Co., MI
Acting in Eaton County, Michigan
My Comm. Expires Oct. 29, 2007