

**DEPARTMENT OF INSURANCE, FINANCIAL  
INSTITUTIONS AND PROFESSIONAL REGISTRATION**

P.O. Box 690, Jefferson City, Mo. 65102-0690

TO: Vision Insurance Group  
P.O. Box 2128  
Brentwood, TN 37024-2128

RE: Alfa Vision Insurance Corp. (NAIC #12188)  
Missouri Market Conduct Examination 0701-02-TGT

**STIPULATION OF SETTLEMENT  
AND VOLUNTARY FORFEITURE**

It is hereby stipulated and agreed by Douglas M. Ommen, Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration, hereinafter referred to as "Director," and Alfa Vision Insurance Corp., (hereafter referred to as "Alfa Vision"), as follows:

WHEREAS, Douglas M. Ommen is the Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration (hereafter referred to as "the Department"), an agency of the State of Missouri, created and established for administering and enforcing all laws in relation to insurance companies doing business in the State in Missouri; and

WHEREAS, Alfa Vision has been granted a certificate of authority to transact the business of insurance in the State of Missouri; and

WHEREAS, the Department conducted a Market Conduct Examination of Alfa Vision and prepared report number 0701-02-TGT; and

WHEREAS, the report of the Market Conduct Examination revealed that:

1. In some instances, Alfa Vision settled a claim for less than the amount to which the insured was entitled, overpaid and failed to strictly adhere to its own policy provisions concerning

other claims, in violation of §§375.1007(8), 408.020, RSMo, and 20 CSR 100-1.010(1)(B)1.

2. In some instances, Alfa Vision failed to document or include in its claim files a copy of a Missouri sales tax affidavit, as required by §144.027, RSMo, and 20 CSR 300-3.200(3)(B)3.

3. In some instances, Alfa Vision failed to disclose all pertinent benefits and coverages to its insureds, thereby violating 20 CSR 100-1.020(1).

4. Alfa Vision incorrectly cited an insured's claim as being an at-fault accident, in violation of §408.020, RSMo, and 20 CSR 300-2.200.

5. In some instances, Alfa Vision failed to complete its investigation of its paid Private Passenger Automobile Physical Damage claims within 30 days after receiving notification of the claims and misrepresented relevant facts or policy provisions relating to the coverage at issue. These errors violated §375.1007(1) and (3), RSMo, and 20 CSR 100-1.040.

6. Alfa Vision's denial procedures in one of its paid Private Passenger Automobile Physical Damage claims files violated 20 CSR 100-1.050(1)(A).

7. In some instances, Alfa Vision's claim files included language contained in forms and correspondence to its insureds and claimants that misstated relevant Missouri law, thereby violating §376.936(4), RSMo.

8. In some instances, Alfa Vision failed to comply with the examiners' request for file documentation as required by §375.205, RSMo.

9. In some instances, Alfa Vision failed to clearly document the inception, handling and disposition of its claims to assure proper handling and settlement of claims submitted, in violation of 20 CSR 300-2.200(3)(B).

10. In some instances, Alfa Vision failed to maintain a complete and accurate complaint register or log as required by §375.936(3), RSMo, and 20 CSR 300-2.200(3)(D).

WHEREAS, Alfa Vision hereby agrees to take remedial action bringing it into compliance with the statutes and regulations of Missouri and agrees to maintain those corrective actions at all times, including, but not limited to, taking the following actions:

1. Alfa Vision agrees to take corrective action to assure that the errors noted in the above-referenced market conduct examination reports do not recur; and

2. Alfa Vision agrees to review all of its Paid Private Passenger Automobile Physical Damage Claims dated January 1, 2005, to the date a final Order is entered in this matter to determine if any other policyholders were underpaid. If so, it will issue refunds of any such underpayments, bearing in mind that §408.020, RSMo, requires an additional nine per cent (9%) interest be added to

those late payments. A letter will be included with the refund payments indicating that the payments are made "as a result of a Missouri Market Conduct examination." Evidence that such payments have been made will be provided to the Department within 90 days after date a final Order is entered in this matter.

WHEREAS, Alfa Vision neither admits nor denies the findings or violations set forth above and enumerated in the examination report; and

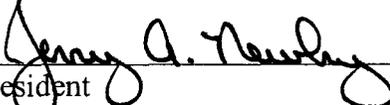
WHEREAS, Alfa Vision is of the position that this Stipulation of Settlement and Voluntary Forfeiture is a compromise of disputed factual and legal allegations, and that payment of a forfeiture is merely to resolve the disputes and avoid litigation; and

WHEREAS, Alfa Vision, after being advised by legal counsel, does hereby voluntarily and knowingly waive any and all rights for procedural requirements, including notice and an opportunity for a hearing, which may have otherwise applied to the above referenced Market Conduct Examination; and

WHEREAS, Alfa Vision hereby agrees to the imposition of the ORDER of the Director and as a result of Market Conduct Examination #0701-02-TGT further agrees, voluntarily and knowingly to surrender and forfeit the sum of \$6,109.25.

NOW, THEREFORE, in lieu of the institution by the Director of any action for the SUSPENSION or REVOCATION of the Certificate(s) of Authority of Alfa Vision to transact the business of insurance in the State of Missouri or the imposition of other sanctions, Alfa Vision does hereby voluntarily and knowingly waive all rights to any hearing, does consent to the ORDER of the Director and does surrender and forfeit the sum of \$6,109.25, such sum payable to the Missouri State School Fund, in accordance with §374.280, RSMo.

DATED: April 14, 2008

  
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President  
Alfa Vision Insurance Corp.