



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

Market Conduct Report

of

Integon National Insurance Company

September 20, 2024

The Market Conduct Division of the Connecticut Insurance Department examined by survey the market conduct practices of Integon National Insurance Company using a sample period of January 1, 2022 through December 31, 2022. The examination survey was limited to Connecticut Private Passenger Auto insurance business.

Integon National Insurance Company has its home office in the State of North Carolina. By authority granted under §38a-15 of the Connecticut General Statutes, this examination survey was conducted by Market Conduct examiners of the State of Connecticut Insurance Department (the Department) at the Department offices in Hartford, Connecticut.

The purpose of the examination survey was to evaluate the Company's market conduct practices in the State of Connecticut. The examiners reviewed the Company's survey response, which included new business, claims, complaints, and underwriting information requested for the examination period.

The Department's findings are as follows:

- Seven (7) instances where an individual adjusting casualty claims without the required license.
- One (1) Instance where a Liability claim was negotiated with in 15 days.

As it relates to the issues listed above, the Company was not in compliance with applicable Connecticut Statutes and Regulations.



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

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IN THE MATTER OF: DOCKET MC 24-137
INTEGON NATIONAL INSURANCE COMPANY:
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STIPULATION AND CONSENT ORDER

It is hereby stipulated and agreed between Integon National Insurance Company and the State of Connecticut Insurance Department by and through Andrew N. Mais, Insurance Commissioner to wit:

I

WHEREAS, pursuant to a Market Conduct examination, the Insurance Commissioner alleges the following with respect to Integon National Insurance Company:

1. Integon National Insurance Company, hereinafter referred to as Respondent, is domiciled in the State of North Carolina and is licensed to transact property and casualty insurance in the State of Connecticut. The NAIC company code number is 29742.
2. From January 17, 2024 through Sept 24, 2024, the Department conducted an examination of Respondent's market conduct practices in the State of Connecticut covering the period January 1, 2022 through December 31, 2022.
3. During the period under examination, Respondent failed to follow established practices and procedures to ensure compliance with statutory requirements resulting in instances of:
 - (a) Seven (7) individuals adjusting claims without the required casualty adjuster's license.
 - (b) One (1) instance where a Liability claim where negotiations were started, or releases were taken, in less than fifteen (15) days from the date of the tortious act.
4. The conduct described in paragraph three is in violation of Sections 38a-792(a) of the Connecticut General Statutes and 52-572a of the Connecticut Regulations and constitutes cause for the imposition of a fine or other

administrative penalty under Sections 38a-2 and 38a-41 of the Connecticut General Statutes.

II

1. WHEREAS, Respondent admits the allegations in paragraphs three and four of Article I of this Stipulation and Consent Order; and
2. WHEREAS, Respondent agrees to undertake a complete review of its practices and procedures, with respect to those areas of concern, as described in the Market Conduct Report and this Stipulation, so that those areas of concern are compliant with Connecticut Statutes; and
3. WHEREAS, Respondent agrees to provide the Insurance Commissioner with a full report of findings and a summary of actions taken to comply with the requirements of paragraph two of this Section within ninety (90) days of the date of this document; and
4. WHEREAS, Respondent agrees to pay a fine in the amount of \$15,500.00 for the violations described herein; and
5. WHEREAS, Respondent, being desirous of terminating administrative action without the necessity of a formal hearing or further litigation, does consent to the making of this Consent Order and voluntarily waives:
 - a. any right to notice and a hearing; and
 - b. any requirements that the Insurance Commissioner's decision contain a statement of findings of fact and conclusions of law; and
 - c. any and all rights to object to or challenge before the Insurance Commissioner or in any judicial proceeding any aspect, provision or requirement of this Stipulation

NOW THEREFORE, upon the consent of the parties, it is hereby ordered and adjudged:

1. That the Insurance Commissioner has jurisdiction of the subject matter of this administrative proceeding.
2. That Respondent is fined the sum of Fifteen Thousand five hundred Dollars (\$15,500.00) for the violations herein above described.

Integon National Insurance Company

By: Javier Espinosa
(Representative of Insurance Company)

CERTIFICATION

The undersigned deposes and says that she/he has duly executed this Stipulation and Consent Order on this 30th day of October 2024, for and on behalf of Integon National Insurance Company; that she/he is the Sr. Manager, Market Conduct of such company, and she/he has authority to execute and file such instrument.

By: Javier Espinosa

STATE OF Virginia

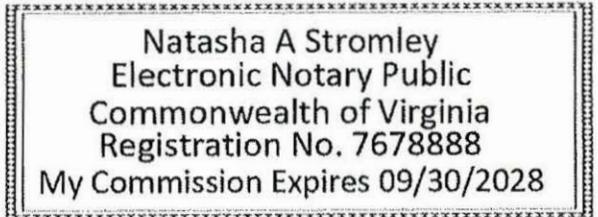
SS

COUNTY OF Hampton City

On the 30th day of October 2024, before me personally appeared Javier Espinosa, sealer of the foregoing Stipulation and Consent Order, acknowledged same to be her/his act and deed. This notarial act was performed: (check one) physical presence xx remote notarization.

Natasha A Stromley

Notary Public/Commissioner of The Superior Court
My commission expires: 09/30/2028
Commission #: 7678888



Remotely notarized online using two-way audio-video communication.

Section Below To Be Completed by State of Connecticut Insurance Department

Dated at Hartford, Connecticut this 12th day of November 2024.

Andrew N. Mais

Andrew N. Mais
Insurance Commissioner