



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

Market Conduct Report

of

Farmers Property & Casualty Ins Co and affiliates

December 13, 2024

The Market Conduct Division of the Connecticut Insurance Department examined by the market conduct practices of Farmers Property & Casualty Ins Co and affiliates using a sample period of January 1, 2023 through October 17, 2023. The examination was limited to Connecticut homeowner insurance business.

Farmers Property & Casualty Ins Co and affiliates is domiciled in the state of Rhode Island. By authority granted under §38a-15 of the Connecticut General Statutes, this examination 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 was to evaluate the Company's market conduct practices in the State of Connecticut. The examiners reviewed the Company's response, which included selected homeowners nonrenewals.

The Department's findings are as follows:

- (a) Failure to provide proper documentation to substantiate the nonrenewal of certain homeowner policies

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

----- X
IN THE MATTER OF:

FARMERS PROPERTY & CASUALTY INS CO:
----- X

DOCKET MC 24-162

STIPULATION AND CONSENT ORDER

It is hereby stipulated and agreed between Farmers Property & Casualty Ins Co and affiliates 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 Farmers Property & Casualty Ins Co and affiliates:

1. Farmers Property & Casualty Ins Co and affiliates, hereinafter referred to as Respondent, is domiciled in the State of Rhode Island and is licensed to transact property and casualty insurance in the State of Connecticut. The NAIC company code number is 26298.
2. From October 31, 2023 to July 31, 2024, the Department conducted an examination of Respondent's market conduct practices in the State of Connecticut covering the period January 1, 2023 through October 17, 2023.
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) Failure to provide proper documentation to substantiate the nonrenewal of certain homeowner policies
4. The conduct described in paragraph three is in violation of Section 38a-323(a)(1) of the Connecticut General Statutes 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.

www.ct.gov/cid

P.O. Box 816 Hartford, CT 06142-0816

Affirmative Action/Equal Employment Opportunity Employer

II

1. WHEREAS, Respondent neither admits nor denies 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 \$20,000 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 Twenty Thousand Dollars (\$20,000) for the violations herein above described.

Farmers Property & Casualty Ins Co

By:

Victoria L. McCauley
(Representative of Insurance Company)

SEE ATTACHED
NOTARIAL CERTIFICATE

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

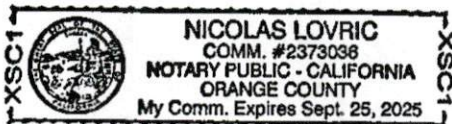
A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }
County of Orange }

On JANUARY 29, 2025, before me, NICOLAS LOVRIC, Notary Public,
personally appeared VICTORIA L. MCCARTHY

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of State of California that the foregoing paragraph is true and correct.



PLACE NOTARY SEAL ABOVE

WITNESS my hand and official seal.

SIGNATURE

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of attached document

Title or type of document: STATE OF CA STIPULATION AND
CONSENT ORDER - DOCKET MC 24-162

Document Date: _____ Number of Pages: _____

Signer(s) Other than Named Above: _____

CERTIFICATION

The undersigned deposes and says that she/he has duly executed this Stipulation and Consent Order on this _____ day of _____ XXXX, for and on behalf of Farmers Property & Casualty Ins Co; that she/he is the _____ of such company, and she/he has authority to execute and file such instrument.

By: _____

STATE OF

SS

COUNTY OF

On the _____ day of _____ XXXX, before me personally appeared _____, sealer of the foregoing Stipulation and Consent Order, acknowledged same to be her/his act and deed.

Notary Public/Commissioner of The Superior Court

Section Below To Be Completed by State of Connecticut Insurance Department

Dated at Hartford, Connecticut this 6th day of March 2025 XXXX.

A handwritten signature in blue ink, appearing to read 'A. Mais', is written over a horizontal line.

Andrew N. Mais
Insurance Commissioner