



STATE OF CONNECTICUT
INSURANCE DEPARTMENT

Market Conduct Report

of

American Family Connect Property & Casualty Ins Co

August 16, 2023

The Market Conduct Division of the Connecticut Insurance Department examined by survey the market conduct practices of American Family Connect Property & Casualty Ins Co using a sample period of January 1, 2021 through December 31, 2021. The examination survey was limited to Connecticut auto and homeowner insurance business.

American Family Connect Property & Casualty Ins Co is domiciled in the state of Wisconsin. 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's 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:

- Two (2) individuals acting as agents of Respondent without the required appointment
- Two (2) instances of an individual adjusting casualty claims without required license
- Instances where the Respondent failed to undertake to pay Loss of Use

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:
AMERICAN FAMILY CONNECT
PROPERTY & CASUALTY INS CO:
-----X

DOCKET MC 23-57

STIPULATION AND CONSENT ORDER

It is hereby stipulated and agreed between American Family Connect Property & Casualty Ins Co 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 American Family Connect Property & Casualty Ins Co:

1. American Family Connect Property & Casualty Ins Co, hereinafter referred to as Respondent, is domiciled in the State of Wisconsin and is licensed to transact property and casualty insurance in the State of Connecticut. The NAIC company code number is 29068.
2. From January 17, 2023 through June 27, 2023, the Department conducted an examination of Respondent's market conduct practices in the State of Connecticut covering the period January 1, 2021 through December 31, 2021.
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) Two (2) individuals acting as agents of Respondent without the required appointment
 - (b) Two (2) individuals adjusting claims without required casualty adjuster license
 - (c) Instances where the Respondent failed to undertake to pay Loss of Use
4. The conduct described in paragraph three is in violation of Sections 38a-702m and 38a-792 of the Connecticut General Statutes, and 38a-334-2(c) and 38a-334-5(a) 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 \$10,000 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 Ten Thousand Dollars (\$10,000) for the violations herein above described.

American Family Connect Property & Casualty Ins Co

By: 
(Representative of Insurance Company)

CERTIFICATION

The undersigned deposes and says that she/he has duly executed this Stipulation and Consent Order on this 31st day of August 2023, for and on behalf of American Family Connect Property & Casualty Ins Co; that she/he is the Chief Compliance Officer of such company, and she/he has authority to execute and file such instrument.

By: 

STATE OF MASSACHUSETTS

SS

COUNTY OF SUFFOLK

On the 31st day of August 2023, before me personally appeared Susan G. Anderson, 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 26th day of September 2023


Andrew N. Mais
Insurance Commissioner