

**BEFORE THE INSURANCE COMMISSIONER**

**FOR THE STATE OF DELAWARE**

**IN THE MATTER OF:**

**CSAA GENERAL INSURANCE COMPANY  
CSAA AFFINITY INSURANCE COMPANY**

**AUTHORITY #'S 377770-18-HO-741  
and 11681-18-HO-742**

**3055 Oak Road  
Walnut Creek, CA 94597**

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) **DOCKET NO. 4191-2019**  
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**STIPULATION AND CONSENT ORDER**

**THIS STIPULATION AND CONSENT ORDER** is entered into as of

*Nov. 19,* \_\_\_\_\_, 2019, by and between the CSAA General Insurance Company and CSAA Affinity Insurance Company (hereafter together “Respondent”) and the State of Delaware Department of Insurance (the “Department”). Respondent and the Department are collectively referred to herein as the “Parties.”

**WHEREAS,** Respondent are homeowner’s insurance companies, CSAA General Insurance Company is incorporated in the State of Indiana and CSAA Affinity Insurance Company is incorporated in the State of Arizona, both are authorized to conduct the business of insurance in the State of Delaware; and

**WHEREAS,** the Department, through its examiners, conducted a target market conduct examination (“Examination”) of Respondent’s affairs and practices as of August 31, 2018; and

**WHEREAS,** the Department, through its examiners, prepared and provided to Respondent for review and comment draft versions of the Examination report; and

**WHEREAS**, Respondent has reviewed and commented on such draft versions of the Examination report; and

**WHEREAS**, after considering Respondent's comments, the Department, through its examiners, has prepared a final report of the Examination, dated as of August 31, 2018 ("Final Examination Report"); and

**WHEREAS**, among other findings contained in the Final Examination Report, the Department concluded that the Respondent's practices and procedures did not comply with;

18 *Del. Admin C.* 702 – Required Disclosures for Residential Homeowners Policies Sections 4.0 and 5.0,

18 *Del. Admin C.* 902 – Prohibited Unfair Claims Settlement Practices,

18 *Del. C.* § 320 – Conduct of Examination; Access to Records; Correction,

18 *Del. C.* § 8307 (c) – Notification.

**WHEREAS**, after communications with the Department, Respondent desires to resolve this matter without recourse to any administrative hearing or court action (such as an appeal).

**NOW, THEREFORE, IT IS AGREED**, by and between Respondent and the Department as follows:

1. Respondent accepts the Final Examination Report, waives any right to a hearing thereon, and agrees that the Department may file the Final Examination Report without any further modifications.
2. Upon execution of this Stipulation and Consent Order, Respondent shall pay to the Department an administrative penalty for the Notice Violations in the amount of Seventy-Eight Thousand Dollars (\$ 78,000.00). Respondent shall make its check for the administrative penalty payable to the "State of Delaware".

3. Respondent waives any right to challenge in an administrative or court proceeding any of the terms and conditions of this Stipulation and Consent Order.

4. This Stipulation and Consent Order is the free and voluntary act of Respondent, and its terms are binding upon Respondent and may be admitted into evidence in any judicial or administrative proceeding against Respondent to enforce such terms. Respondent acknowledges that it has had a full opportunity to seek and receive advice of counsel on all matters related to this Stipulation and Consent Order.

5. This Stipulation and Consent Order contains all of the terms and conditions agreed to by the parties and constitutes the final agreement between Respondent and the Department.

6. No change, amendment, or modification hereto shall be effective or binding unless it is in writing, dated, and signed by the parties.

7. If the Department fails to act on any one or more defaults by Respondent, such failure to act shall not be a waiver of any rights hereunder on the part of the Department to declare Respondent in default and to take such action as may be permitted by this Stipulation and Consent Order or by law.

8. This Stipulation and Consent Order may be signed in duplicate, and both documents shall be considered originals. The person executing this Stipulation and Consent Order on behalf of Respondent shall acknowledge his or her signature before a Notary Public and, by executing this Stipulation and Consent Order, certifies that he or she is duly authorized to execute this Stipulation and Consent Order on behalf of Respondent. Respondent agrees that an uncertified copy of this Stipulation and Consent Order shall be valid as evidence in any proceeding for purposes of enforcement.

9. This Stipulation and Consent Order shall survive Respondent and be enforceable against its successors, transferors, or assigns.

***[Signature Page Follows]***



**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

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 Contra Costa }

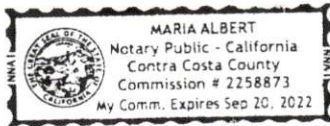
On November 18, 2019 before me, Maria Albert, Notary Public  
*Date Here Insert Name and Title of the Officer*

personally appeared Katherine Evans  
*Name(s) of Signer(s)*

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 the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Maria Albert  
*Signature of Notary Public*

Place Notary Seal and/or Stamp Above

**OPTIONAL**

*Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

Corporate Officer – Title(s): \_\_\_\_\_

Partner –  Limited  General

Individual  Attorney in Fact

Trustee  Guardian of Conservator

Other: \_\_\_\_\_

Signer is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

Corporate Officer – Title(s): \_\_\_\_\_

Partner –  Limited  General

Individual  Attorney in Fact

Trustee  Guardian of Conservator

Other: \_\_\_\_\_

Signer is Representing: \_\_\_\_\_