

**DELAWARE DEPARTMENT OF INSURANCE**  
**MARKET CONDUCT EXAMINATION REPORT**

**Travelers Home & Marine Insurance Company**  
**Authority # 27998-23-703**

**Travelers Commercial Insurance Company**  
**Authority # 36137-23-704**

**Standard Fire Insurance Company**  
**Authority # 19070-23-705**

**One Tower Square, MS08**  
**Hartford, CT 06183**

**As of**

**December 31, 2022**

TRINIDAD NAVARRO  
COMMISSIONER



STATE OF DELAWARE  
DEPARTMENT OF INSURANCE

I, Trinidad Navarro, Insurance Commissioner of the State of Delaware, do hereby certify that the attached REPORT ON EXAMINATION, made as of December 31, 2022 on

**Travelers Home & Marine Insurance Company  
Travelers Commercial Insurance Company  
Standard Fire Insurance Company**

is a true and correct copy of the document filed with this Department.

Attest By:

A handwritten signature in blue ink, appearing to read "A. J. Suttie", written over a horizontal line.



In Witness Whereof, I have hereunto set my hand  
and affixed the official seal of this Department at the  
City of Dover, this 21 day of November, 2024.

A handwritten signature in blue ink, appearing to read "Trinidad Navarro", written over a horizontal line.

Trinidad Navarro  
Insurance Commissioner

TRINIDAD NAVARRO  
COMMISSIONER



STATE OF DELAWARE  
DEPARTMENT OF INSURANCE

REPORT ON EXAMINATION

OF THE

**Travelers Home & Marine Insurance Company  
Travelers Commercial Insurance Company  
Standard Fire Insurance Company**

AS OF

December 31, 2022

The above-captioned Report was completed by examiners of the Delaware Department of Insurance.

Consideration has been duly given to the comments, conclusions and recommendations of the examiners regarding the status of the Company as reflected in the Report.

This Report is hereby accepted, adopted and filed as an official record of this Department.



In Witness Whereof, I have hereunto set my hand  
and affixed the official seal of this Department at the  
City of Dover, this 21 day of November, 2024.

A handwritten signature in blue ink that reads "Trinidad Navarro".

Trinidad Navarro  
Insurance Commissioner

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Honorable Trinidad Navarro  
Insurance Commissioner  
State of Delaware  
1351 West North Street  
Suite 101  
Dover, Delaware 19904

Dear Commissioner Navarro:

In compliance with the instructions contained in Examination Authority Numbers 27998-23-703, 36137-232-704 and 19070-23-705 and pursuant to statutory provisions including 18 *Del C.* §§ 318-322, a Market Conduct Examination has been conducted of the affairs and practices of:

**Travelers Home & Marine Insurance Company – NAIC #27998**  
**Travelers Commercial Insurance Company – NAIC #36137**  
**Standard Fire Insurance Company – NAIC #19070**

The examination was performed as of December 31, 2022.

The examination was conducted off-site, performed at the offices of the Delaware Department of Insurance, hereinafter referred to as the Department, or other suitable locations.

The report of examination herein is respectfully submitted.

## EXECUTIVE SUMMARY

Travelers Home and Marine Insurance Company (THMIC), Travelers Commercial Insurance Company (TCIC), and Standard Fire Insurance Company (SFIC), hereafter referred to as the Travelers Companies, are multi-line property and casualty insurance companies, reporting total direct premiums written for all states as of December 31, 2022, of \$6,199,366,959, of which Delaware has a market share of \$45,005,672, or approximately 0.73%.

The examination was a targeted review of each Company's Private Passenger Automobile and Homeowners (including Renters and Condos) book of business in the following areas of operation: Company Operations and Management, Complaint Handling, Marketing and Sales, Producer Licensing and Agent Handling, Policyholder Services, Underwriting and Rating, and Claims. The examination period was January 1, 2020, through December 31, 2022.

The report encompasses three Travelers Companies and throughout the report, exceptions will only be noted if exceptions were found for a particular company. If no company is mentioned, then there were no exceptions found. If the term "Companies" is referenced, then the exception pertained to all three Travelers Companies.

The following exceptions were noted in the areas of operations reviewed:

- **9 Exceptions**

- **18 Del C. § 2504. Rate filings.**

- *(a) Every insurer shall file with the Commissioner, except as to inland marine risks which by general custom of the business are not written according to manual rates or rating plans, every manual, minimum, class rate, rating schedule or rating plan and every other rating rule, and every modification of any of the foregoing which it proposes to use. Every such filing shall state the proposed effective date thereof, and shall indicate the character and extent of the coverage contemplated.*

The THMIC and the TCIC used a Longevity Group Chart and a BI Limit Category Chart that was not in the filed Private Passenger Auto (PPA) manuals. The examiners are ascribing an Exception for each Company, for each Chart, and for New Business and Renewal Business, totaling eight. In addition, the THMIC used an incorrect Longevity Factor on one Homeowner (HO) renewal policy.

- **6 Exceptions**

- **18 Del. C. § 320, Conduct of examination; access to records.**

- *(c) Every person being examined, the person's officers, attorneys, employees, agents and representatives, shall make freely available to the Commissioner, or the Commissioner's examiners, the accounts, records, documents, files, information, assets and matters of such person, in the person's possession or control, relating to the subject of the examination and shall facilitate the examination.*

The THMIC was unable to locate the new business applications for two PPA policies and was unable to locate the Accident Prevention Course/Defensive Driving Discount documentation to justify the 15% discount for one of those policies. The TCIC was unable to locate the PPA new business applications for one policy and a signed release for one PPA claim. The SFIC was unable to locate the Good Student Discount documentation to justify the 3% discount for one PPA policy. The THMIC was unable to locate one denial letter sent to a HO claimant.

- **8 Exceptions**

- **18 Del C. § 3905(b) & (c) Cancellation or nonrenewal of automobile policy-Notice of cancellation or intention not to renew; notice of reasons.**

- *(b) No insurer shall fail to renew a policy except to which § 3903(b) of this title applies, unless it shall mail or deliver to the named insured, at his or her address last of record with the insurer, at least 30 days advance notice of its intention to nonrenew accompanied by the reason or reasons therefor.*

and

- *(c) The mailing of the notice of cancellation, or of intention not to renew, to the named insured at his or her last address of record with the insurer, shall be by certified mail or by USPS Intelligent Mail barcode (IMb). Proof of mailing of such notice shall be retained by the insurer for a period of not less than 1 year. This subsection shall not apply in the case of nonpayment of premium.*

The THMIC was unable to provide Proof of Mailing for eight PPA Non-Renewal notices. For six of these, the non-renewal notice also could not be found.

- **15 Exceptions**

- **18 Del. C. § 3905(d) & (e) Cancellation or nonrenewal of automobile policy-Notice of cancellation or intention not to renew; notice of reasons.**

- *(d) When a policy is cancelled or nonrenewed, other than for nonpayment of premium, the insurer shall notify the named insured of any possible eligibility for insurance through an automobile assigned risk plan. Such notice shall accompany or be included in the notice of cancellation or the notice of intent not to renew, and shall state that such notice of availability of the automobile assigned risk plan is given pursuant to this section.*

and

- *(e) Each notice of cancellation, except as provided in § 3903(b), or nonrenewal of a policy shall contain or be accompanied by a notice of the named insured's right to apply to the Commissioner for a hearing thereon.*

The THMIC sent three PPA cancellation notices and six PPA non-renewal notices and the TCIC sent one PPA non-renewal notice, and the SFIC sent five PPA cancellation notices

using a separate notice (PL-1591 04-21 (DELAWARE)) stating the insured's right to apply to the Commissioner for a hearing. This is no longer correct. The Department of Insurance notified insurers of the change in 18. Del. C. §3906 via Bulletin #34 (effective 9/30/2021).

- **85 Exceptions**

- **18 Del. C. § 2304(2) Unfair methods of competition and unfair or deceptive acts or practices defined.**

- *The following are hereby defined as unfair methods of competition and unfair or deceptive acts or practices in the business of insurance:*

- *(2) False information and advertising generally. — No person shall make, publish, disseminate, circulate or place before the public, or cause, directly or indirectly, to be made, published, disseminated, circulated or placed before the public, in a newspaper, magazine or other publication, or in the form of a notice, circular, pamphlet, letter or poster, or over any radio or television station, or in any other way, an advertisement, announcement or statement containing any assertion, representation or statement with respect to the business of insurance or with respect to any person in the conduct of the insurance business, which is untrue, deceptive or misleading.*

The THMIC sent 67 Notice of Termination or Nonrenewal to PPA policyholders whose policies were not being non-renewed. This occurred since the business relationship with the Company and the agent had ended. The Notice then advised the policyholder that "...under Delaware law, we cannot cancel or refuse to renew your policy for this reason" and later "...we are renewing your policy".

The Companies sent an additional 18 notices as follows: Ten PPA cancellation notices and four PPA non-renewal notices from the THMIC, TCIC sent one PPA cancellation notice and two PPA non-renewal notices and the SFIC sent one PPA cancellation notice using PL-1591 NEW 8-73 DELAWARE which advised insureds that a \$10 fee was required when submitting an appeal to the Commissioner. This is incorrect. The \$10 fee requirement was eliminated in 2012. The notice also stated the insured's right to apply to the Commissioner for a hearing. This is no longer correct. The Department of Insurance notified insurers of the change in 18. Del. C. §3906 via Bulletin #34 (effective 9/30/2021).

- **25 Exceptions**

- **18 Del. C. § 2304(3) Unfair methods of competition and unfair or deceptive acts or practices defined.**

- *The following are hereby defined as unfair methods of competition and unfair or deceptive acts or practices in the business of insurance:*

- *(1) Misrepresentations and false advertising of insurance policies. — No person shall make, issue, circulate or cause to be made, issued or circulated any estimate, circular, statement, sales presentation, omission or comparison which:*



*f. Is a misrepresentation for the purpose of inducing or tending to induce to the lapse, forfeiture, exchange, conversion or surrender of any insurance policy;*

In addition to the 67 PPA policyholders who received this Notice of Termination or Nonrenewal, 32 also had a lender, of which 25 of the 32 lenders received a NOTICE OF CANCELLATION.

- **3 Exceptions**

- **18 Del. C. § 3909 Automobile insurance; exclusion, cancellation or nonrenewal:**

- *(b) In any case where an insurer is authorized under this chapter to cancel or nonrenew any automobile policy under which more than 1 person is insured because of the record of 1 or more, but less than all of the persons insured under the policy, the insurer shall, in lieu of cancellation or nonrenewal, offer to continue or renew the insurance, but to exclude from coverage, by name, the person or persons whose record would have justified the cancellation or nonrenewal. The premiums charged on any such policy excluding a named driver or drivers shall not reflect the claims, experience or driving record of the excluded named driver or drivers.*

The THMIC non-renewed three PPA policies based on the record of one person insured even though there was one or more insured on the policy.

- **2 Exceptions**

- **18 Del. C. § 4122 Notification and reasons for declination or termination [For application of this section, see 79 Del. Laws, c. 390, § 8]**

- *(b) A notice of cancellation of property insurance coverage by an insurer shall be in writing, shall be delivered to the named insured (or mailed to the named insured at the last known address of the named insured, shall state the effective date of the cancellation and shall be accompanied by a written explanation of the specific reasons for the cancellation. Proof of mailing of such cancellation notice shall be retained by the insurer for a period of not less than 1 year.*

The THMIC was unable to provide a Proof of Mailing for two HO non-renewal notices.

- **2 Exceptions**

- **18 Del. C. § 4130 Nonrenewal**

- *An insurer may not refuse to renew a policy of homeowners insurance solely on the basis of:*

- *a. Claims caused by weather, unless 3 or more such claims have been made against the policy during the 36 months immediately preceding the expiration of the current policy period; or*
      - *b. Claims not caused by weather, unless 2 or more claims have been made against the policy; or*
      - *c. A combination of claims caused by weather and claims not caused by weather, unless such combination of 3 or more claims has been made against the policy*

*during the 48 months immediately preceding the expiration of the current policy period; or*

*d. Claims closed without payment, notwithstanding any other provision of this section.*

(2) *However, an insurer may nonrenew a homeowner's policy if:*

*a. The claim or claims asserted against the policy demonstrate that there has been a reasonably substantial change or increase in the hazard or in the risk assumed by the carrier subsequent to the date the policy was issued, and such nonrenewal is applied to other homeowners policies similarly situated; or*

*b. The policyholder has refused or failed to make reasonably necessary changes or repairs after being notified by the insurer that failure to make such changes or repairs will constitute a breach of contractual duties, conditions or warranties that will change or increase the hazard or risk assumed by the insurer subsequent to the date the policy was issued.*

The THMIC non-renewed two HO policies for reasons not permitted under 18 *Del. C.* § 4130. The Company did not complete an inspection of the premises prior to the non-renewal and could not document a substantial change in the risk in one case and another where the insured had one non-weather loss and one weather loss.

- **9 Exceptions**

- 18 Del. Admin. Code § 902 3.1.1 Prohibited Unfair Claim Settlement Practices**

- 3.1.1 Misrepresenting pertinent facts or insurance policy provisions relating to coverage at issue.*

The Company failed to comply with the provisions of the policy in handling nine PPA claims by not advising the insured of possible Uninsured Motorist coverage.

- **1 Exception**

- 18 Del. Admin. Code § 902 3.1.2 Prohibited Unfair Claim Settlement Practices**

- 3.1.2 Failing to acknowledge and respond within 15 working days, upon receipt by the insurer, to communication with respect to claims by insureds arising under insurance policies.*

The Company did not respond to the claimant's letter of representation within 15 days.

- **9 Exceptions**

- 18 Del. Admin. C. § 902 3.1.5 Prohibited Unfair Claim Settlement Practices**

- 3.1.5 Failing to affirm or deny coverage or a claim or advise the person presenting the claim, in writing, or other proper legal manner, of the reason for the inability to do so, within 30 days after proof of loss statements have been received by the insurer.*

The Company failed to send a denial letter in eight PPA claims and failed to send a denial letter in one Homeowners claim.

- **8 Exceptions**

- 18 Del. Admin. C. § 902 3.1.6 Prohibited Unfair Claim Settlement Practices**

- 3.1.6. Not attempting in good faith to effectuate prompt, fair and equitable settlement of claims in which liability has become clear.*

The Company failed to negotiate a prompt, fair and equitable settlement in claims where liability was clear. This was noted in 13 PPA claims.

- **4 Exceptions**

- 18 Del. C. § 2304 (16) f. & (16) n. Unfair claim settlement practices and Delaware Auto Bulletin #24**

- (16) Unfair claim settlement practices. — No person shall commit or perform with such frequency as to indicate a general business practice any of the following:*

- f. Not attempting in good faith to effectuate prompt, fair and equitable settlements of claims in which liability has become reasonably clear.*

And

- n. Failing to promptly provide a reasonable explanation of the basis in the insurance policy in relation to the facts or applicable law for denial of a claim or for the offer of a compromise settlement.*

Delaware Auto Bulletin #24 states:

*Any insurer's invocation of its insured's obligation to cooperate as the basis for denying mandatory minimum coverage shall be deemed an unfair claim settlement practice in violation of Title 18, Section 2304 (16)(f).*

The Company denied coverage, in whole or in part, on the basis of the non-cooperation of the insured in four denied PPA claims.

- **16 Exceptions**

- 18 Del. C. § 1703 Licensed Required.**

- A person shall not transact insurance in this State for any class or classes of insurance unless the person is licensed as an insurance producer, adjuster or appraiser for that line of authority in accordance with this chapter.*

16 claims adjusters were not licensed from their applicable date of licensing and the claim loss date.

- **1 Exception**

- 18 Del. C. § 3914 Notice of Statute of Limitations.**

*An insurer shall be required during the pendency of any claim received pursuant to a casualty insurance policy to give prompt and timely written notice to the claimant of the applicable state statute of limitations regarding action for his or her damages.*

The Company failed to provide the required Statute of Limitations notice in 1,217 of the 1,365 PPA & HO Paid, Denied and Closed Without Payment claims reviewed. This will be considered one exception as it is a procedural inadequacy.

## **SCOPE OF EXAMINATION**

The Market Conduct Examination was conducted pursuant to the authority granted by 18 Del. C. §§ 318 – 322 and covered the examination period of January 1, 2020, through December 31, 2022. The purpose of the examination was to determine compliance by the Companies with applicable Delaware laws and regulations.

This examination was a targeted review of activities related to Private Passenger Automobile and Homeowners business in the Travelers Home & Marine Insurance Company, Travelers Commercial Insurance Company and Standard Fire Insurance Company. Areas reviewed were Company Operations and Management, Complaint Handling, Marketing and Sales, Producer Licensing and Agent Handling, Policyholder Services, Underwriting and Rating, and Claims. Homeowners' business includes Renters and Condominiums in addition to Dwellings.

## **METHODOLOGY**

This examination was performed in accordance with Market Regulation standards established by the Department and examination procedures suggested by the NAIC. While the examiners' report on the errors found in individual files, the examination also focuses on general business practices of the Companies.

The Companies identified the universe of files for each segment of the review. Based on the size of the universe, random sampling was utilized to select files reviewed during this examination.

Delaware Market Conduct Examination Reports generally note only those items to which the Department, after review, takes exception. An exception is any instance of Company activity that does not comply with an insurance statute or regulation. Exceptions contained in the report may result in imposition of penalties. Generally, practices, procedures or files that were reviewed by Department examiners during the course of an examination may not be referred to in the Report if no improprieties were noted. However, the Examination Report may include management recommendations addressing areas of concern noted by the Department, but for which no statutory violation was identified. This enables Company management to review these areas of concern in order to determine the potential impact upon Company operations or future compliance. Throughout the course of the examination, company officials were provided status memorandum, which referenced specific complaint, policy and/or claim numbers with citation to each section of law violated. Additional information was requested to clarify apparent violations. Written summaries were provided to the Company on exceptions found. An exit conference was conducted

with Company officials to discuss various types of exceptions identified during the examination and to review written summaries provided on the exceptions found.

## **COMPANY HISTORY AND PROFILE**

The Travelers Home and Marine Insurance Company (THMIC) is an all-lines property and casualty insurer organized under the laws of the State of Connecticut on July 24, 1991. THMIC is a wholly owned subsidiary of The Travelers Indemnity Company and an indirect subsidiary of The Travelers Companies, Inc.

THMIC is domiciled in Connecticut and has its principal place of business in Hartford, Connecticut. THMIC commenced business operations on June 2, 1992, and is currently admitted in the District of Columbia and all fifty (50) states, except for Alaska and California. THMIC is a leading writer of personal insurance business, including, but not limited to, Homeowners Multi-Peril and Private Passenger Auto. Home and Marine's Delaware claims are handled by Travelers Mid-Atlantic Regional Claim Offices located in Reading, PA, Hunt Valley, MD, Pittsburgh, PA, Charleston, WV, and Wyomissing, PA, respectively.

Travelers Commercial Insurance Company (TCIC) is an all-lines property and casualty insurer organized under the laws of the State of Connecticut on January 3, 1990. TCIC is a wholly owned subsidiary of Travelers Casualty and Surety Company and an indirect subsidiary of The Travelers Companies, Inc.

TCIC is domiciled in Connecticut and has its principal place of business in Hartford, Connecticut. TCIC commenced business operations on January 12, 1990, and is currently admitted in the District of Columbia and all fifty (50) states, except for Hawaii and New Hampshire. TCIC is a leading writer of personal insurance business, including, but not limited to, Homeowners Multi-Peril and Private Passenger Auto. TCIC's Delaware claims are handled by Travelers Mid-Atlantic Regional Claim Offices located in Reading, PA, Hunt Valley, MD, Pittsburgh, PA, Charleston, WV, and Wyomissing, PA, respectively.

The Standard Fire Insurance Company (SFIC) is an all-lines property and casualty insurer organized under the laws of the State of Connecticut on July 6, 1905. SFIC is a wholly owned subsidiary of The Travelers Insurance Group Holdings, Inc. and an indirect subsidiary of The Travelers Companies, Inc.

SFIC is domiciled in Connecticut and has its principal place of business in Hartford, Connecticut. SFIC commenced business operations on March 26, 1910, and is currently admitted in the District of Columbia, all fifty (50) states, and the U.S. Virgin Islands. SFIC is a leading writer of commercial and personal insurance business, including, but not limited to, Fire, Homeowners Multi-Peril, Commercial Multi-Peril, Workers' Compensation, Commercial Auto and Private Passenger Auto. SFIC's Delaware claims are handled by Travelers Mid-Atlantic Regional Claim Offices located in Reading, PA, Hunt Valley, MD, Pittsburgh, PA, Charleston, WV, and Wyomissing, PA, respectively.

## **COMPANY OPERATIONS AND MANAGEMENT**

The Companies were asked to provide:

A written overview of the Company's operations including management structure, type of carrier, states where the Company is licensed and the major lines of business the Company writes. If a regional office handles any portion of the Delaware business, include that information in the overview.

A description of all fines, penalties and recommendations from any state for the last five years, and to have available copies of all Financial and Market Conduct Examination (MCE) reports conducted during the last five years.

Copies of the annual statements for the prior three years and any property and casualty related schedules or statements.

A list of all internal audits conducted within the last three (3) years. Internal audits include those audits completed by an internal audit function within the Company or conducted via a contracted vendor on behalf of the Company.

A copy of the Company's Anti-Fraud Procedures and annual reports.

A process overview for Anti-Fraud Tracking, Reporting and Oversight.

Identification of the individual(s) accountable for the Company's Special Investigation Unit (SIU) or comparable area and include an organizational chart showing the staff of the SIU or comparable area.

A list of all Fraud reported to a regulatory agency during the examination period.

A list of all data reported to the National Insurance Crime Bureau (NICB) or other similar database.

A list of all SIU cases investigated during the examination period.

Board of Director agendas, minutes and attachments for all meetings held during the examination period.

Responses were provided and reviewed.

No exceptions were noted.

## **COMPLAINT HANDLING**

The three Companies were asked to provide a list of all complaints received during the examination period of January 1, 2020, through December 31, 2022. The Companies were asked to include

complaints received from the Delaware Department of Insurance, as well as complaints made directly to each Company on behalf of Delaware consumers. The following are populations and samples reviewed for each Company.

<b>Company Name</b>	<b>Population</b>	<b>Sample</b>
Travelers Home & Marine Insurance Company	38	38
Travelers Commercial Insurance Company	7	7
Standard Fire Insurance Company	6	6
<b>Total</b>	<b>51</b>	<b>51</b>

The 51 complaints were reviewed for compliance with applicable Delaware Statutes and Regulations pertaining to complaints, including, but not limited to, 18 *Del. C.* § 2304 (17), Delaware Department of Insurance Bulletins, and the NAIC Market Regulation Handbook Standards in Chapter 16. Complaint files involving Claims were reviewed for compliance with 18 *Del. C.* § 2304 (26) and 18 *Del. Admin. C.* § 902 1.2.1.2.

No exceptions were noted.

18 *Del. C.* § 2304 (17) also requires maintenance of a complete record of all complaints received, since the date of its last examination by the Delaware Department of Insurance. The record shall indicate the total number of complaints, their classification by line of insurance, the nature of each complaint, the disposition of the complaint and the time it took to process each complaint. The Companies certified that they have the records for the time period since the last examination.

The Companies also provided their Complaint Handling Guidelines and Procedures. These were reviewed and found sufficient.

## **MARKETING AND SALES**

The Companies were asked to provide:

A copy of all marketing & advertising (including any specific to discounts, and for mass marketing), sales and training materials (advertisement and sales tools) distributed or available for distribution during the examination period and a brief explanation of how the Company communicates to its producers.

The location(s) of all websites maintained by or on behalf of each Company for marketing purposes.

Copies of Delaware Department of Insurance approval of all marketing materials, applications and notices.

An explanation of how consumers can request a quote or buy a policy on-line.

A sample of marketing and sales materials were reviewed for compliance with the Delaware Statutes and Regulations, Delaware Department of Insurance Bulletins and the NAIC Market Regulation Handbook Standards in Chapters 16 and 17.

No exceptions were noted.

## **PRODUCER LICENSING AND AGENT HANDLING**

The Companies were asked to provide:

A list of all producers licensed and appointed with each Company at any time during the examination period, and the date of appointment.

A list of all producers terminated with the Company at any time during the examination period, and the date and reason for termination. A sample was selected to ensure the termination of producers complies with applicable standards, rules and regulations regarding notification to the producer and notification to the state, if applicable.

A listing of producers such that a sample can be selected to ensure producers are properly licensed and appointed and have appropriate continuing education (if required by state law) in the jurisdiction where the application(s) were taken.

A description of the type of agency system utilized by the Company, e.g., independent, direct or exclusive.

A description of how the Company verifies that all business which it accepts from producers is written by individuals who are duly licensed and appointed to represent the Company.

A description and copies of the Commission Schedules, including multi-level commissions schedules, in use during the examination period.

A description of how the Company verifies that the producer account balances are in accordance with the producer's contract with the Company.

A description of any incentives or motivational awards/recognitions that were given or available to the Company's producers during the examination period.

The Company provided a Universe of 5,365 licensed and appointed producers and 1,598 terminated producers in the Standard Fire Insurance Company during the examination period. The Travelers Commercial Insurance Company provided a Universe of 1,704 licensed and appointed producers and 552 terminated producers during the examination period. The Travelers Home & Marine Insurance Company provided a Universe of 5,931 licensed and appointed producers and 1,971 terminated producers during the examination period. Many of the producers were with all three Companies.



A random sample of 212 licensed and appointed producers was selected for review for the three Companies combined. Additionally, a random sample of 189 terminated producers was selected for review for the three Companies combined. All of the samples were compared to Departmental records of producers and the NAIC State Based System (SBS) Lookup Search, to verify the licensing, appointments, and accurate terminated producer records. In addition, a comparison was made on the producers identified on applications reviewed in the policy and contract issued sections of the exam.

No exceptions were noted.

The requested descriptions of policies and procedures were received and reviewed for compliance with the Delaware Statutes and Regulations, Delaware Department of Insurance Bulletins and the NAIC Market Regulation Handbook Standards in Chapters 16.

There were no exceptions.

## **POLICYHOLDER SERVICES**

The Companies were asked to provide:

A description of the process for policy issuance, insured requested terminations, premium notices, billing notices, policy transactions and responding to policyholder correspondence specifically those pertaining to claims history and loss information.

The procedures for locating missing policyholders or beneficiaries.

The procedures for handling the unearned premium calculation and refund.

All provided documents and procedures were reviewed for compliance with the Delaware Statutes and Regulations, Delaware Department of Insurance Bulletins and NAIC Market Regulation Handbook Standards in Chapters 16 and 17.

There were no exceptions.

## **UNDERWRITING AND RATING**

The examination of Underwriting and Rating was conducted and performed to verify the Company's compliance with Delaware Statutes and Regulations, Insurance Department Bulletins and NAIC Market Regulation Handbook Standards in Chapters 16 & 17. Each Company was asked to provide a listing of all new, renewal and terminated Private Passenger Automobile and Homeowners (including Renters and Condo) policies issued during the examination period of January 1, 2020, through December 31, 2022, along with relevant copies of all Private Passenger Automobile and Homeowners underwriting and rating manuals and forms, notices and disclosures in use. Paper copies were provided to the examiners.

Copies of policies and procedures regarding the use of credit information, including any specific efforts or reports to ensure compliance with 18 *Del. C.* § 8301 – 8303, were also requested and provided.

A sample termination notification and any supplemental documentation provided at the time of termination was also requested and provided.

Copies of the Company’s activities to ensure compliance with the Notice Regarding Deductibles (18 *Del. C.* § 4140) were also requested and provided.

### **New Business Policies**

A listing of all new business policies issued during the examination period was provided. The following are populations and samples reviewed for each Company:

<b>Company Name</b>	<b>Population</b>	<b>Sample</b>
Travelers Home & Marine Insurance Company-PPA	2,546	115
Travelers Home & Marine Insurance Company-HO	4,992	115
Travelers Commercial Insurance Company-PPA	440	86
Travelers Commercial Insurance Company-HO	436	86
Standard Fire Insurance Company-PPA	4,598	115
Standard Fire Insurance Company-HO	0	0
<b>Total</b>	<b>13,012</b>	<b>517</b>

Random sampling was made according to the NAIC Market Coordinators Handbook guidelines. Random sampling was used through ACL programming. Examination of the underwriting and rating files was performed to verify each Company’s compliance with Delaware Statutes and Regulations, Insurance Department Bulletins and NAIC Market Regulation Handbook Standards Chapters 16 & 17.

The rate testing consisted of manual rating to ensure the amount of premium generated by their computer system was in accordance with each Company’s filed and approved rates. This process involved the use of rating worksheets with algorithms matching the rating manuals. Due to the time-consuming nature of manually rating, the selections were reduced to 10 randomly selected Private Passenger Automobile policies and 10 randomly selected Homeowner’s policies to be tested for rating accuracy. The Companies agreed that should there be any inconsistencies noted, additional policies could be requested for testing.

The findings related to this review are follows:

### **Private Passenger Automobile**

#### **4 Exceptions – 18 *Del. C.* § 2504. Rate filings.**

Throughout the entirety of the Examination Period, THMIC and TCIC used a Longevity Group Chart and a BI Limit Category Chart that was not in the filed manual.

*Recommendation:* It was recommended during the examination that the Companies file the Longevity Group Chart and a BI Limit Category Chart to ensure compliance with 18 *Del. C.* § 2504. The Companies did so, and their filing was approved on 1/10/2024, to be effective 3/24/2024.

**4 Exceptions: 18 *Del. C.* § 320, Conduct of examination; access to records.**

The THMIC was unable to locate the new business applications for two policies and was unable to locate the Accident Prevention Course/Defensive Driving Discount documentation to justify the 15% discount for one of those policies. The TCIC was unable to locate the new business applications for one policy. The SFIC was unable to locate the Good Student Discount documentation to justify the 3% discount for one policy.

*Recommendation:* It is recommended that the Companies undertake supplemental record retention training to ensure future compliance with 18 *Del. C.* § 320.

**Homeowners**

There were no exceptions noted in the Homeowners’ New Business review.

**Renewal Business Policies**

A listing of all Renewal business policies issued during the examination period was provided. The following are populations and samples reviewed for each Company:

<b>Company Name</b>	<b>Population</b>	<b>Sample</b>
Travelers Home & Marine Insurance Company-PPA	24,582	116
Travelers Home & Marine Insurance Company-HO	23,606	116
Travelers Commercial Insurance Company-PPA	6,904	116
Travelers Commercial Insurance Company-HO	3,164	115
Standard Fire Insurance Company-PPA	2,788	115
Standard Fire Insurance Company-HO	4,629	115
<b>Total</b>	<b>65,673</b>	<b>693</b>

Random sampling was made according to the NAIC Market Coordinators Handbook guidelines using ACL programming. Examination of the underwriting and rating files was performed to verify each Company’s compliance with Delaware Statutes and Regulations, Insurance Department Bulletins and NAIC Market Regulation Handbook Standards Chapters 16 & 17.

The rate testing consisted of manual rating to ensure the amount of premium generated by their computer system was in accordance with each Company’s filed and approved rates. This process involved the use of rating worksheets with algorithms matching the rating manuals. Due to the time-consuming nature of manually rating, the selections were reduced to 10 Private Passenger Automobile policies and 10 Homeowners policies, based on their premium amount, to be tested

for rating accuracy. The Companies agreed that should there be any inconsistencies noted, additional policies could be requested for testing.

The findings related to this review are follows:

### **Private Passenger Automobile**

#### **4 Exceptions – 18 Del. C. § 2504. Rate filings.**

Throughout the entirety of the Examination Period, THMIC and TCIC used a Longevity Group Chart and a BI Limit Category Chart that was not in the filed manual.

*Recommendation:* It is recommended that the Companies file these Charts to ensure compliance with 18 Del. C. § 2504.

### **Standard Fire Insurance Company**

There were no exceptions.

### **Homeowners**

#### **1 Exception – 18 Del. C. § 2504. Rate filings.**

The THMIC used an incorrect Longevity Factor on one policy. The Company stated they will make a filing in the near future to revise the Expected Policy Longevity Table.

*Recommendation:* It is recommended that the Company file the Expected Policy Longevity Table to ensure compliance with 18 Del. C. § 2504.

### **Travelers Commercial Insurance Company**

There were no exceptions.

### **Standard Fire Insurance Company**

There were no exceptions.

### **Terminated & Declined Policies**

A listing of all policies cancelled, non-renewed, or declined during the examination period was provided. The following are Cancellation populations and samples reviewed for each company:

<b>Company Name</b>	<b>Population</b>	<b>Sample</b>
Travelers Home & Marine Insurance Company-PPA	22	22
Travelers Home & Marine Insurance Company-HO	101	79
Travelers Commercial Insurance Company-PPA	3	3
Travelers Commercial Insurance Company-HO	12	12
Standard Fire Insurance Company-PPA	72	72
Standard Fire Insurance Company-HO	19	19
<b>Total</b>	<b>229</b>	<b>207</b>

The following are non-renewal populations and samples reviewed for each company:

<b>Company Name</b>	<b>Population</b>	<b>Sample</b>
Travelers Home & Marine Insurance Company-PPA	93	93
Travelers Home & Marine Insurance Company-HO	232	79
Travelers Commercial Insurance Company-PPA	6	6
Travelers Commercial Insurance Company-HO	19	19
Standard Fire Insurance Company-PPA	1	1
Standard Fire Insurance Company-HO	47	47
<b>Total</b>	<b>398</b>	<b>245</b>

The following are Declined populations and samples reviewed for the three Companies combined. Travelers make no Company distinction at this stage.

<b>Company Name</b>	<b>Population</b>	<b>Sample</b>
Travelers Companies-PPA	923	86
Travelers Companies-HO	486	86
<b>Total</b>	<b>1,409</b>	<b>172</b>

The following sections detail the PPA and HO Exceptions noted during the Terminated Policies review.

### **Private Passenger Automobile**

#### **8 Exceptions - 18 Del. Code § 3905 (a) Cancellation or nonrenewal of automobile policy- Notice of cancellation or intention not to renew; notice of reasons.**

The THMIC was unable to provide Proof of Mailing for eight Private Passenger Automobile Non-Renewal notices. For six of these, the Non-Renewal Notice also could not be found.

*Recommendation:* It is recommended that the Companies undertake supplemental record retention training to ensure future compliance with 18 Del. C. § 3905 (a).

#### **85 Exceptions - 18 Del. C. § 2304(2) Unfair methods of competition and unfair or deceptive acts or practices defined.**

The THMIC sent 67 notices titled **Notice of Termination or Nonrenewal** to policyholders whose policies were not being non-renewed. This occurred since the business relationship with the Company and the agent had ended. The Notice then told the policyholder that “...under Delaware law, we cannot cancel or refuse to renew your policy for this reason” and later “...we are renewing your policy”.

The THMIC sent ten cancellations and four non-renewals, TCIC sent one cancellation notice and two non-renewals and the SFIC sent one cancellation using PL-1591 NEW 8-73 DELAWARE which advised insureds that a \$10 fee was required when submitting an appeal to the Commissioner. This is incorrect. The \$10 fee requirement was eliminated in 2012. The notice also stated the insured’s right to apply to the Commissioner for a hearing. This is no longer correct. The Department of Insurance notified insurers of the change in 18 Del. C. §3906 via Bulletin #34 (effective 9/30/2021).

*Recommendation:* It is recommended that the Companies revise the title of this Notice of Termination or Nonrenewal to avoid the implication that the policy is terminated or non-renewed. In addition, the Companies stated (PL-1591 NEW 8-73 DELAWARE) was updated in April 2021 to remove reference to the \$10 fee and was updated in January 2022 to remove reference to the hearing. It is recommended that the Companies confirm that the updated form is being used to ensure compliance with 18 Del. C. § 2304(2).

**25 Exceptions - 18 Del. C. § 2304(3) Unfair methods of competition and unfair or deceptive acts or practices defined.**

In addition to the 67 policyholders who received this Notice of Termination or Nonrenewal, 32 also had a lender, of which 25 received a NOTICE OF CANCELLATION.

*Recommendation:* The Companies stated that they would work with their applicable business partners to ensure that the correct NOTICE OF CANCELLATION is sent to lenders going forward. It is recommended that the Companies confirm that the correct notice is being sent to lenders to ensure compliance with 18 Del. C. § 2304(3).

**15 Exceptions - 18 Del. Code § 3905 (d) & (e) Cancellation or nonrenewal of automobile policy-Notice of cancellation or intention not to renew; notice of reasons.**

The THMIC sent three cancellations and six non-renewals and the TCIC sent one non-renewal and the SFIC sent five cancellations using separate notice (PL-1591 04-21 (DELAWARE) stating the insured’s right to apply to the Commissioner for a hearing. This is no longer correct. The Department of Insurance notified insurers of the change to request an appeal in 18 Del. C. § 3906 via Bulletin #34 (effective 9/30/2021).

*Recommendation:* The Companies stated (PL-1591 04-21 (DELAWARE) was updated in January 2022 to remove reference to the hearing.

**3 Exceptions 18 Del. C. § 3909 Automobile insurance; exclusion, cancellation or nonrenewal:**

The THMIC non-renewed three policies based on the record of one insured even though there was one or more insured on the policy.

*Recommendation:* It is recommended that the Company undertake additional training to ensure future compliance with 18 Del. C. § 3909.

The Companies provided 923 PPA Declinations during the examination period of January 1, 2020, through December 31, 2022, for the three Traveler's Companies combined. A random Sample of 86 declinations was selected for review.

The Examiners reviewed all 86 Samples for compliance with Delaware laws and Regulations.

No Exceptions were noted.

**Homeowners**

**2 Exceptions 18 Del. C. § 4122 Notification and reasons for declination or termination [For application of this section, see 79 Del. Laws, c. 390, § 8]**

The THMIC was unable to provide Proof of Mailing for two non-renewal notices.

*Recommendation:* It is recommended that THMIC undertake supplemental record retention training to ensure future compliance with 18 Del. C. § 4122.

**2 Exceptions 18 Del. C. § 4130 Nonrenewal [For application of this section, see 79 Del. Laws, c. 390, § 8]**

The THMIC non-renewed two HO policies for reasons not permitted under 18 Del. C. § 4130 . The Company did not complete an inspection of the premises prior to the non-renewal and could not document a substantial change in the risk in one case and in another where the insured had one non-weather loss and one weather loss.

*Recommendation:* It is recommended that THMIC undertake additional training to ensure future compliance with 18 Del. C. § 4130.

The Company provided 484 Homeowners Declinations during the examination period of January 1, 2020, through December 31, 2022, for the three Travelers Companies combined. A random Sample of 86 declinations was selected for review.

The Examiners reviewed all 86 Samples for compliance with Delaware Statutes and Regulation, Insurance Department Bulletins and NAIC Market Regulation Handbook Standards in Chapters 16 & 17.

There were no exceptions.

## CLAIMS

The examination of Claims was conducted and performed to verify the three Companies' compliance with Delaware Statutes and Regulations, Delaware Insurance Department Bulletins and the NAIC Market Regulation Handbook Standards in Chapters 16 & 17. The Companies were asked to provide a listing of all Private Passenger Automobile and Homeowners (including Renters and Condominium) claims received during the examination period of January 1, 2020, through December 31, 2022, along with relevant copies of all claim's procedure manuals and reference and training materials. The examiners were allowed remote access to their Claims system to conduct the review.

The Companies provided sufficient proof that they are correctly reporting to their statistical agent, American Association of Insurance Services.

Copies of all newsletters, bulletins and similar communications regularly sent to claims adjusters were also requested and provided, as well as a list of all third parties used in adjusting and handling claims. Copies of all Delaware internal claim audit reports were also requested and provided in partial response to Company Operations and Management. The Company stated that there were no Delaware specific internal claim audit reports to provide.

The tables below provide the by-Company populations, line of business and sample sizes.

### Paid Claims

A listing of all claims paid during the examination period was provided. The following are populations and samples reviewed for each company:

<b>Company Name</b>	<b>Population</b>	<b>Sample</b>
Travelers Home & Marine Insurance Company-PPA	1,810	105
Travelers Home & Marine Insurance Company-PPA Total Losses	439	82
Travelers Home & Marine Insurance Company-HO	1,599	107
Travelers Commercial Insurance Company-PPA	498	82
Travelers Commercial Insurance Company-PPA Total Losses	112	76
Travelers Commercial Insurance Company-HO	185	76
Standard Fire Insurance Company-PPA	437	82
Standard Fire Insurance Company-PPA Total Losses	117	76
Standard Fire Insurance Company-HO	320	82
<b>Total</b>	<b>5,517</b>	<b>768</b>

The following sections detail the exceptions noted during the paid claims review.



### **Private Passenger Automobile**

#### **7 Exceptions - 18 Del. Admin. C. § 902 3.1.1 Prohibited Unfair Claim Settlement Practices**

THMIC did not advise the insured of possible UM coverage, where the \$250 deductible would apply instead of their Collision deductible, in two claims. When brought to the Company's attention, they reimbursed both insureds \$250.

TCIC did not advise the insured of possible UM coverage, where the \$250 deductible would apply instead of their Collision deductible, in two claims. When brought to the Company's attention, they reimbursed both insureds \$250.

SFIC did not advise the insured of possible UM coverage, where the \$250 deductible would apply instead of their Collision deductible, in three claims. When brought to the Company's attention, they reimbursed all insureds \$250.

*Recommendation:* It is recommended that the Companies provide additional training to ensure compliance with 18 Del. Admin. C. § 902 3.1.1.

#### **1 Exception - 18 Del. Admin. C. § 902 3.1.2 Prohibited Unfair Claim Settlement Practices**

TCIC did not respond to the claimant's letter of representation within 15 days.

*Recommendation:* It is recommended that the Companies provide additional training to ensure compliance with 18 Del. Admin. C. § 902 3.1.2.

#### **8 Exceptions - 18 Del. Admin. C. § 902 3.1.6 Prohibited Unfair Claim Settlement Practices**

TCIC did not reasonably apply the UM coverage's \$250 deductible in s one claim, requiring the insureds to pay their \$500 deductible and get reimbursed 3 months later in one claim and 3 weeks later in another. In one other claim, TCIC did not reimburse the insured the \$35 Title Transfer Fee even though it was a UM claim, and in another reimbursed only \$35 for the Title Transfer Fee instead of the \$55 since there was a lienholder. Both insureds were reimbursed when TCIC was informed by the examiners. TCIC did not negotiate a prompt & fair settlement in one other claim.

SFIC did not negotiate a prompt & fair settlement in four claims. In one of those claims, which was an Insured vs Insured claim, the deductible was to be waived and in another claim, the claimant was underpaid \$679.75. Both were reimbursed when SFIC was informed by the examiners.

*Recommendation:* It is recommended that the Companies provide additional training to ensure compliance with 18 Del. Admin. C. § 902 3.1.6.

#### **1 Exception: 18 Del. C. § 320, Conduct of examination; access to records.**

The TCIC was unable to locate the signed release for one PPA claim.

*Recommendation:* It is recommended that the Companies undertake supplemental record retention training to ensure future compliance with 18 *Del. C.* § 320.

### **Homeowners**

There were no Exceptions.

### **Closed Without Payment (CWP) Claims**

A listing of all claims closed without payment during the examination period was provided. The following are populations and samples reviewed for each company:

<b>Company Name</b>	<b>Population</b>	<b>Sample</b>
Travelers Home & Marine Insurance Company-PPA	333	82
Travelers Home & Marine Insurance Company-HO	625	105
Travelers Commercial Insurance Company-PPA	112	76
Travelers Commercial Insurance Company-HO	56	56
Standard Fire Insurance Company-PPA	91	91
Standard Fire Insurance Company-HO	75	75
<b>Total</b>	<b>1,292</b>	<b>485</b>

### **Private Passenger Automobile**

#### **2 Exceptions - 18 *Del. Admin. C.* § 902 3.1.1 Prohibited Unfair Claim Settlement Practices**

TCIC did not advise the insured of possible UM coverage, where the \$250 deductible would apply instead of their Collision deductible, in two claims.

*Recommendation:* It is recommended that the Companies provide additional training to ensure compliance with 18 *Del. Admin. C.* § 902 3.1.1.

### **Homeowners**

There were no exceptions.

### **Denied Claims**

A listing of all claims denied during the examination period was provided. The following are populations and samples reviewed for each company:

<b>Company Name</b>	<b>Population</b>	<b>Sample</b>
Travelers Home & Marine Insurance Company-PPA	11	11
Travelers Home & Marine Insurance Company-HO	19	19
Travelers Commercial Insurance Company-PPA	3	3
Travelers Commercial Insurance Company-HO	2	2
Standard Fire Insurance Company-PPA	2	2

Standard Fire Insurance Company-HO		3		3
<b>Total</b>		<b>40</b>		<b>40</b>

The following sections detail the exceptions noted during the denied claims review.

**Private Passenger Automobile**

**8 Exceptions - 18 Del. Admin. C. § 902 3.1.5 Prohibited Unfair Claim Settlement Practices**

THMIC did not send a denial letter to four claimants.

TCIC did not send a denial letter to two claimants.

SFIC did not send a denial letter to two claimants.

*Recommendation:* It is recommended that the Companies provide additional training to ensure compliance with 18 Del. Admin. C. § 902 3.1.5.

**4 Exceptions - 18 Del. C. §2304 (16) f. & (16) n. Unfair claim settlement practices and Delaware Auto Bulletin #24**

THMIC denied coverage, in whole or in part, on the basis of non-cooperation of the insured in one claim.

TCIC denied coverage, in whole or in part, on the basis of non-cooperation of the insured in three claims.

*Recommendation:* It is recommended that the Company provide additional training to ensure compliance with 18 Del. C. §2304 (16) f. & (16) n. and Delaware Auto Bulletin #24.

**Homeowners**

**1 Exception: 18 Del. C. § 320, Conduct of examination; access to records.**

THMIC was unable to locate the denial letter sent to one claimant.

*Recommendation:* It is recommended that the Companies undertake supplemental record retention training to ensure future compliance with 18 Del. C. § 320.

**1 Exception - 18 Del. Admin. C. § 902 3.1.5 Prohibited Unfair Claim Settlement Practices**

THMIC did not send a denial letter to one claimant.

*Recommendation:* It is recommended that the Companies provide additional training to ensure compliance with 18 Del. Admin. C. § 902 3.1.5.

## **PPA & Homeowners Paid, CWP & Denied Claims**

### **16 Exceptions - 18 Del. C. § 1703 Licensed Required.**

There were 16 claims adjusters not licensed from their applicable date of licensing and the claim loss date.

*Recommendation:* It is recommended that the Companies review their claims professional licensing processes to ensure compliance with 18 Del. Code § 1703.

### **1 Exception - 18 Del. C. § 3914 Notice of Statute of Limitations.**

The Companies failed to provide the required Statute of Limitations notice in 1,217 of the 1,365 PPA & HO Paid, Denied and Closed Without Payment claims reviewed. This will be considered one exception as it is a procedural inadequacy.

*Recommendation:* It is recommended that the Companies review their processes and determine the means by which the Statute of Limitations Notice, as required by 18 Del. Code § 3914, be delivered timely and consistently in the future.

## **CONCLUSION**

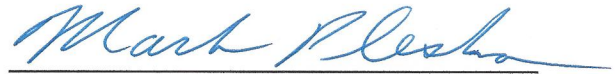
The recommendations made below identify corrective measures the Department finds necessary as a result of the Exceptions noted in the Report. Location in the Report is referenced in parenthesis.

1. It was recommended during the examination that the Companies file the Longevity Group Chart, the BI Limit Category Chart and the Expected Policy Longevity Table to ensure compliance with 18 Del. C. § 2504. The Companies did so, and their filing was approved on 1/10/2024, to be effective 3/24/2024. (Underwriting and Rating)
2. It is recommended that the Companies undertake supplemental record retention training to ensure future compliance with 18 Del. C. § 320. and 18 Del C. § 3905(a) and 18 Del C. § 4122. (Underwriting and Rating)
3. It is recommended that the Companies revise the title of this Notice of Termination or Nonrenewal so as not to imply the policy is terminated or non-renewed. In addition, the Company stated (PL-1591 NEW 8-73 DELAWARE) was updated in April 2021 to remove reference to the \$10 fee and was updated in January 2022 to remove reference to the hearing. It is recommended that the Companies confirm that the updated form is being used to ensure compliance with 18 Del. C. § 2304(2) and 18 Del. C. § 3905 (d) & (e). (Underwriting and Rating)
4. The Companies stated that they would work with their applicable business partners to ensure that the correct NOTICE OF CANCELLATION is sent to lenders on a go-forward

basis. It is recommended that the Companies confirm that the correct notice is being sent to lenders to ensure compliance with 18 *Del. C.* § 2304(3). (Underwriting and Rating)

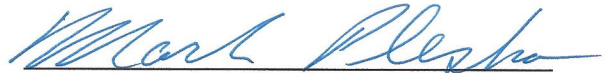
5. It is recommended that THMIC undertake additional training to ensure future compliance with 18 *Del. C.* § 3909. (Underwriting and Rating)
6. It is recommended that THMIC undertake additional training to ensure future compliance with 18 *Del. C.* § 4130. (Underwriting and Rating)
7. It is recommended that the Companies provide additional training to ensure compliance with 18 *Del. Admin. C.* § 902 3.1.1. (Claims)
8. It is recommended that the Companies provide additional training to ensure compliance with 18 *Del. Admin. C.* § 902 3.1.2. (Claims)
9. It is recommended that the Companies provide additional training to ensure compliance with 18 *Del. Admin. C.* § 902 3.1.6. (Claims)
10. It is recommended that the Companies provide additional training to ensure compliance with 18 *Del. Admin. C.* § 902 3.1.5. (Claims)
11. It is recommended that the Companies provide additional training to ensure compliance with 18 *Del. C.* §2304 (16) f. & (16) n. and Delaware Auto Bulletin #24. (Claims)
12. It is recommended that the Companies review their claims professional licensing processes to ensure compliance with 18 *Del. Code* § 1703. (Claims)
13. It is recommended that the Companies review their processes and determine the means by which the Statute of Limitations Notice, as required by 18 *Del. C.* § 3914, be delivered timely and consistently in the future. (Claims)

The examination conducted by Joe Krug, Mark Plesha, Karen Gerber, Braxten Pate is respectfully submitted.



Mark Plesha, CPCU, AIE, MCM, CWCP,  
AIS, IR  
Examiner-in-Charge  
Market Conduct  
Delaware Department of Insurance

I, Mark Plesha, hereby verify and attest, under oath, that the above is a true and correct copy of the examination report and findings of the market conduct examination submitted to the Delaware Department of Insurance pursuant to examination authority #27998-23-703, #36137-23-704 and #19070-23-705.



Mark Plesha, CPCU, AIE, MCM, CWCP,  
AIS, IR