

**STATE OF RHODE ISLAND
DEPARTMENT OF BUSINESS REGULATION
INSURANCE DIVISION
1511 PONTIAC AVENUE, BLDG. 69-2
CRANSTON, RHODE ISLAND 02920**

IN THE MATTER OF:

ALLSTATE PROPERTY AND CASUALTY
INSURANCE COMPANY;
ALLSTATE INSURANCE COMPANY;
ALLSTATE INDEMNITY COMPANY;
ALLSTATE FIRE AND CASUALTY INSURANCE
COMPANY; AND
ALLSTATE VEHICLE AND PROPERTY INSURANCE
COMPANY

RESPONDENTS.

DBR No. 2022-IN-006

CONSENT AGREEMENT

It is hereby agreed between the Department of Business Regulation (“Department”) and Allstate Property and Casualty Insurance Company, Allstate Insurance Company, Allstate Indemnity Company, Allstate Fire and Casualty Insurance Company, and Allstate Vehicle and Property Insurance Company (collectively “Respondents” or the “Companies”) as follows:

1. Respondents are insurers licensed in the State of Rhode Island to issue property and casualty business.
2. The Department called a Targeted Market Conduct Examination (“Exam”) on June 22, 2018 to investigate the Companies’ operations and management, complaint handling, marketing and sales, producer licensing and claim handling.
3. The Exam was limited to its private passenger automobile business issued during 2016 and 2017.

4. The Exam proceeded throughout 2018 and 2019, and draft examination findings were provided to the Companies in 2019.

5. Throughout 2020 and 2021, the Companies provided eight sets of new additional documentation to the Department that had not been previously provided.

6. The Department adopted a final examination report (the “Report”) on June 2, 2022, that included six findings where the Companies failed to comply with Rhode Island laws and regulations and the Report identified recommendations of how the Companies could address each of those concerns.

THEREFORE, based on the foregoing, Respondents and the Department have decided to resolve this matter without further administrative proceedings and hereby agree to the following:

- I. Regarding Finding No. 1, Respondents agree to provide the Department a Corrective Action Plan within 120 days of the date of this Agreement identifying any changes to be made as a result of the project the Respondents opened to address these issues.
- II. Regarding Finding No. 2, Respondents agree to provide the Department a Corrective Action Plan within 120 days of the date of this Agreement identifying any changes to be made as a result of the project the Respondents opened to address these issues.
- III. Regarding Finding No. 3, Respondents agree to provide the Department a Corrective Action Report within 120 days identifying the changes made and communicated to staff regarding these issues and including a summary of the completed remediation.
- IV. Regarding Finding No. 4, Respondents agree they have completed a review of all T-71 tax returns filed since the exam period and hereby report to the Department no additional concerns.

- V. Regarding Finding No. 5, Respondents agree to complete the producer licensing audits and reviews and report the results to the Department within 12 months of the date of this Agreement.
- VI. Regarding Finding No. 6, Respondents agree to report on the Companies' procedures related to the reimbursement of transfer of registration fees for leased vehicles within 120 days of the date of this Agreement.
- VII. Respondents agree to pay an administrative penalty within 30 days of the date of this Agreement of sixty-five thousand dollars (\$65,000) to resolve the items identified in the final exam report identified above.
- VIII. Waiver of Hearing and Appeal. By agreeing to resolve this matter through the execution of this Consent Agreement, Respondents knowingly and voluntarily waive any right to an administrative hearing and waive any right to pursue an appeal to the Superior Court under the Rhode Island Administrative Procedures Act, R.I. Gen. Laws § 42-35-1 et seq.
- IX. Enforcement. If the Respondents fail to comply with any term or condition of this Consent Agreement within any applicable time period set forth herein, the Respondents will be in violation hereunder and the Department shall be entitled to immediately take enforcement or other action in accordance with applicable law.
- X. Compliance; Other Laws. Compliance with the terms of this Consent Agreement does not relieve the Respondents of any obligation to comply with other applicable laws or regulations administered by or through the Department or any other governmental agency.

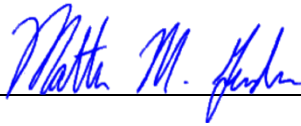
Counsel for the Department and Respondents hereby consent and agree to the foregoing on

behalf of their respective clients this 18th day of July 2022.

Department of Business Regulation
By its Legal Counsel,

ALLSTATE PROPERTY AND
CASUALTY INSURANCE COMPANY;
ALLSTATE INSURANCE COMPANY;
ALLSTATE INDEMNITY COMPANY;
ALLSTATE FIRE AND CASUALTY
INSURANCE COMPANY; AND
ALLSTATE VEHICLE AND PROPERTY
INSURANCE COMPANY

By their Counsel,



Timothy L. Knapp
