

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DEPARTMENT OF BUSINESS REGULATION  
233 RICHMOND STREET  
PROVIDENCE, RHODE ISLAND 02903**

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**IN THE MATTER OF:**

**PROGRESSIVE CASUALTY INSURANCE  
COMPANY**

**RESPONDENT.**

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**DBR No. 08-I-0058**

**CONSENT AGREEMENT**

It is hereby agreed between the Department of Business Regulation (“Department”) and Progressive Casualty Insurance Company (“Respondent”) as follows:

1. Respondent is an insurer licensed to write and writing private passenger automobile insurance in Rhode Island;
2. Insurance Regulation 73(7)(A) requires that if an insurer chooses to offer an insured a cash settlement at the time of a total loss, the insurer must offer an amount equal to the actual cash value of the motor vehicle less any deductible provided in the Policy.
3. Insurance Regulation 73(7)(A) further requires that in determining the actual cash value of a motor vehicle to settle motor vehicle property damage liability and collision damage claims, insurers shall use as a guide, the average retail values indicated by the National Automobile Dealers Association official Used Car Guide ("Guide") or some service substantially similar;
4. The Department received a consumer complaint in which Respondent offered a settlement based upon the cost of the vehicle at the time of purchase, less ten cents a mile deduction for the time the insured owned the vehicle less the deductible;

5. Rhode Island law does not provide any provisions that would allow for an offer based upon the factors underlying Respondents offer.

6. In the handling of this claim Respondent violated Insurance Regulation 73(7)(A).

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

1. Respondent has agreed to pay the claim in accordance with Insurance Regulation 73(7)(A).

2. Respondent will pay a fine of \$1,000.

3. Respondent agrees that all offers made for total loss vehicles under policies of insurance issued in Rhode Island will be made only on the bases set forth in Insurance Regulation 73(7)(A).

Counsel for the Department and Respondent hereby consent and agree to the foregoing on behalf of their respective clients the 8<sup>th</sup> day of April, 2008.

Department of Business Regulation  
By it's Legal Counsel,

Respondent  
By its attorney,

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Signature on file  
Elizabeth Kelleher Dwyer

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Signature on file  
Kristy M. Mullen