

FEB 23 2001

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

DEPT. OF INSURANCE
BY CB

In the Matter of:)	Docket No. 01A-049-INS
)	
AMERICAN INTERNATIONAL INSURANCE COMPANY,)	CONSENT ORDER
NAIC #32220,)	
)	
Respondent)	

A market conduct examination was made of AMERICAN INTERNATIONAL INSURANCE COMPANY, (hereinafter referred to as "the Respondent" or "AIIIC") by Market Conduct Examiners ("the Examiners") for the Arizona Department of Insurance ("the Department"), covering the period of time from January 1, 1994 through March 31, 1996. Based upon the examination results, it is alleged that AIIIC has violated A.R.S. §§ 20-157, 20-385(A), 20-461(A)(6), 20-1631(C), 20-1632(A)(3), 20-1632.01(A) and (B), and A.A.C. R20-6-801(H)(1)(b), (H)(1)(b)(i)&(ii), and (H)(1)(c).

AIIIC wishes to resolve this matter without formal proceedings, admits that the following Findings of Fact are true, and consents to the entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

1. AIIIC is authorized to transact property and casualty insurance pursuant to a Certificate of Authority issued by the Director.

2. The Examiners were authorized by the Department to conduct a market conduct examination of AIIIC. The on-site examination was concluded August 30, 1996. The Examiners prepared the "Report of Examination of the Market Conduct Affairs of "American International Insurance Company" dated August 30, 1996.

1 3. The Examiners reviewed 422 personal automobile (PA) policy terms for
2 99 different insureds issued by AIIC with policy effective dates from January 1, 1994
3 through March 31, 1996. Of these, AIIC:

4 a. Determined the premium of seven (7) PA policy terms for four
5 insureds based on incorrect discount factors. As a result, these four insureds were
6 overcharged a total of \$85.00.

7 b. Failed to file its Tier Algorithms, which are used to determine the
8 Underwriting Score. The Underwriting Score is used to determine the Rate Level
9 Factor applied in premium determination. The Tier Algorithms include an Incident
10 Number/Incident Point Table, Vehicle Exposure Driver Age Factors Table, Vehicle
11 Exposure Driver Experience Factors Table, Experience Age Factors Table, Experience
12 Location Factors Table, Vehicle Exposure Mileage Factors Table, Household Exposure
13 Stability Factors Table, Household Exposure Coverage Factors Table, Household
14 Exposure Occupation Factors Table, and Vehicle Exposure Scores Table.

15 c. Failed to file the length of time an accident or loss is included for
16 determining the underwriting score.

17 d. Failed to file its "Territory Master" report which identifies whether a
18 territory is suburban, urban or rural.

19 e. Failed to file which vehicles it considers to be high performance,
20 underwriting sensitive, underwriting favorable, safe vehicle, or other. This information is
21 necessary to verify that the correct vehicle exposure is being applied.

22 f. Failed to provide documentation supporting the tier level assigned
23 for the determination of premium for 226 PA policy terms.

24 g. Failed to comply with its filed Private Passenger Automobile and
25 Schedule Rating Plan formula for calculating experience factors applied on 29 Plan

1 accounts.

2 4. The Examiners reviewed 214 personal automobile policy terms that were
3 canceled or nonrenewed, with termination dates from January 1, 1994 through August
4 14, 1997. Of these, AIIIC canceled 47 policy terms at the request of the insureds,
5 canceled 92 policy terms for nonpayment of premium, and canceled/nonrenewed 75
6 policy terms for underwriting reasons. Of these, AIIIC:

7 a. Failed to provide the minimum 7-day grace period in the
8 cancellation of forty-five (45) PA policy terms for 35 insureds for nonpayment of the
9 renewal premium, and failed to send the Notices of Cancellation effective on the dates
10 of cancellation but instead canceled the policies retroactive to the renewal due date.

11 b. Failed to provide the minimum 7-day grace period in the
12 cancellation of forty-seven (47) PA policy terms for 24 insureds for nonpayment of
13 additional premium due, and failed to send the Notices of Cancellation effective on the
14 date of cancellation.

15 c. Canceled seven (7) PA policies more than sixty (60) days after the
16 policy effective dates for reasons not allowed by Arizona statutes.

17 d. Failed to include the refund of unearned premium with the
18 cancellation of thirty-four (34) PA policy terms.

19 5. The Examiners reviewed 192 first-party automobile total-loss claims
20 settled by AIIIC with loss dates from October 10, 1993 through February 11, 1996. Of
21 these, AIIIC:

22 a. Failed to pay \$32,450.62 of the applicable sales taxes and fees
23 incident to transfer of ownership in the settlement of 131 first-party claims.

24 b. Included undocumented and/or inappropriate deductions totaling
25 \$28,746.13 from the actual cash value in the settlements of sixty-three (63) first-party

1 automobile total-loss claims.

2 c. AIC has refunded \$48,814.91 to some of the insureds referenced
3 in items (a) and (b) above.

4 d. Determined the actual cash value of total loss settlements based
5 on book value, dealer quotations not in the local market area, or sources other than
6 dealer quotes or comparable vehicles in the local market area, in the settlement of
7 twenty-five (25) first-party automobile total-loss claims.

8 6. The Examiners reviewed seventy-four (74) third-party automobile total-
9 loss claims settled by AIC with loss dates from October 25, 1993 through February 3,
10 1996. Of these, AIC:

11 a. Failed to include taxes and fees totaling \$6,513.96 in the
12 settlements of fifty-three (53) third-party automobile total-loss claims.

13 b. Included inappropriate deductions for detailing and reconditioning
14 of vehicles totaling \$2,604.25, in the settlements of fifteen (15) third-party automobile
15 total-loss claims.

16 **CONCLUSIONS OF LAW**

17 1. AIC violated A.R.S. § 20-385(A) by determining personal automobile
18 premiums other than according to its filed rates and rules, and by failing to file with the
19 Department all the supporting tables related to the determination of its underwriting
20 score which is used for tier assignment.

21 2. AIC violated A.R.S. § 20-157 by failing to provide documentation
22 supporting its tier level assignments for determination of premium for personal auto
23 policies.

24 3. AIC violated A.R.S. § 20-1632.01(A) by failing to provide the 7-day grace
25 period after the due date in the cancellation of PA policies by making the cancellation

1 effective retroactive to the renewal due date.

2 4. AllC violated A.R.S. § 20-1632.01 (B) by issuing notices of cancellation or
3 non-renewal for non-payment of premium on personal automobile policies, in which the
4 effective date of cancellation was not the date the notices were mailed.

5 5. AllC violated A.R.S. § 20-1631(C) by canceling policies that were in effect
6 for more than 60 days for reasons not allowed by Arizona statutes.

7 6. AllC violated A.R.S. § 20-1632(A)(3) by failing to refund unearned
8 premium to insureds whose policies were canceled for underwriting reasons, at the
9 same time that they were sent notices of cancellation.

10 7. AllC violated A.A.C. R20-6-801 (H)(1)(b) and A.R.S. § 20-461(A)(6) by
11 failing to include all sales taxes incident to transfer of evidence of ownership of a
12 comparable automobile in the settlement of first-party automobile total-loss claims.

13 8. AllC violated A.A.C. R20-6-801(H)(1)(c) and A.R.S. § 20-461(A)(6) by
14 failing to adequately document files to support that deductions from the actual cash
15 value of first-party total loss vehicles were measurable, discernible, itemized, specified
16 as to dollar amount, and appropriate in amount.

17 9. AllC violated A.A.C. R20-6-801(H)(1)(b)(i) & (ii) and A.R.S. § 20-461(A)(6)
18 by determining the actual cash value of first-party claimant total loss settlements based
19 on values other than dealer quotes or comparable vehicles available in the local market
20 area.

21 10. AllC violated A.R.S. § 20-461(A)(6) by failing to treat third-party claimants
22 in a fair and equitable manner by including sales taxes and fees in some settlements
23 and not others, and by including inappropriate deductions for detailing and
24 reconditioning in the settlement of automobile total-loss claims.

25 11. Grounds exist for the entry of the following Order, in accordance with

1 A.R.S. §§ 20-220 and 20-456.

2 **ORDER**

3 **IT IS ORDERED THAT:**

4 1. AIC shall cease and desist from the following:

5 a. Rating personal auto policies other than pursuant to its filed rates
6 and rules.

7 b. Failing to file all supplemental rating materials related to its tiering
8 procedures and experience and schedule rating plans.

9 c. Failing to provide documentation supporting tier level assignments
10 for determining premium for personal auto policies.

11 d. Canceling personal auto policies for underwriting reasons and
12 failing to return unearned premium to the insureds at the time the notices are issued.

13 e. Canceling or nonrenewing personal automobile policies without
14 providing a grace period of at least seven days for payment of premium.

15 f. Failing to issue Notices of Cancellation for Nonpayment of
16 Premium with cancellation effective dates effective on the date mailed.

17 g. Canceling policies in force for more than sixty days for reasons not
18 allowed by Arizona statutes.

19 h. Failing to include all applicable taxes and fees in the settlement of
20 first-party automobile total-loss claims.

21 i. Failing to include documentation supporting all deductions from
22 actual cash value in the settlement of first-party automobile total-loss claims.

23 j. Failing to determine the actual cash value of vehicles in the
24 settlement of first-party automobile total-loss claims based on one of two or more dealer
25 quotes or the value of a comparable vehicle available in the local market area.

1 k. Failing to treat third-party claimants in a fair and equitable manner
2 by not including all applicable sales taxes and fees, and by making inappropriate
3 deductions for detailing and reconditioning in the settlement of automobile total-loss
4 claims.

5 2. Within 90 days of the filed date of this Order, AIC shall submit to the
6 Arizona Department of Insurance, for approval, evidence that corrections have been
7 implemented and communicated to the appropriate personnel, regarding all of the items
8 listed above in the Paragraph 1 of the Order section of this Consent Order. Evidence of
9 corrective action and communication thereof includes, but is not limited to, memos,
10 bulletins, E-mails, correspondence, procedures manuals, print screens, and training
11 materials.

12 3. Within 90 days of the filed date of this Order, AIC shall refund the
13 following overcharges, plus interest at the rate of 10% per annum from the date of the
14 overcharge to the date of the refund: \$85.00 to the four Personal Automobile insureds
15 as shown on Exhibit A.

16 4. Within 90 days of the filed date of this Order, AIC shall pay the following
17 amounts, plus interest at the rate of 10% per annum from the date of claim notification
18 to the date of the refund:

19 a. \$17,425.97 to the 47 First-Party claimants as shown on Exhibit B.

20 b. \$2,292.33 to the 21 First-Party claimants as shown on Exhibit C.

21 c. \$9,118.21 to the 53 Third-Party claimants as shown on Exhibit D.

22 5. Each payment made pursuant to paragraphs 3 and 4 above shall include
23 a letter to the insured in a form previously approved by the Director. A list of payments,
24 giving the name and address of each party paid, the amount of the payment, the
25 amount of interest paid, and the date of payment, shall be provided to the Department

1 within 90 days of the filed date of this Order.

2 6. AIC shall submit proof of payment to the 66 First-Party claimants shown
3 on Exhibit E by providing a list of payments, giving the name of each party paid, amount
4 of payment, amount of interest, date of loss notification, and date of payment.

5 7. The Department shall be permitted, through authorized representatives, to
6 verify that AIC has complied with all provisions of this Order.

7 8. AIC shall pay a civil penalty of \$33,000 to the Director for deposit in the
8 State General Fund in accordance with A.R.S. § 20-220(B). The civil penalty shall be
9 provided to the Market Conduct Examinations Section of the Department prior to the
10 filing of this Order.

11 9. The Report of Examination of the Market Conduct Affairs of AIC as of
12 January 10, 1997, including the letter submitted in response to the Report of
13 Examination, shall be filed with the Department after the Director has filed this Order.

14 DATED at Phoenix, Arizona this 22nd day of February, 2001.

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17 Charles R. Cohen
18 Director of Insurance

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EXHIBIT A

AMERICAN INTERNATIONAL INSURANCE COMPANY

APPLICATION OF INCORRECT DISCOUNT FACTOR

A.R.S. § 20-385(A) Violations

POLICY NUMBER	POLICY TERM	OVERCHARGE
1014905	3/15/94 – 9/15/94	\$9.00
	9/15/94 – 3/15/94	\$16.00
	3/15/94 – 9/15/95	\$16.00
	9/15/95 – 3/15/96	\$13.00
1076259	11/25/94 – 5/25/95	\$9.00
1081172	7/16/94 – 01/16/95	\$1.00
1093552	1/21/94 – 7/21/94	\$21.00

EXHIBIT B (Page 1 of 2)

AMERICAN INTERNATIONAL INSURANCE COMPANY

First-Party Automobile Total Losses

Violations of A.A.C. R20-6-801 and A.R.S. §20-461(A)(6)

DATE OF LOSS	CLAIM NUMBER	(H)(1)(b) SALES TAX	(H)(1)(b) LICENSE FEES	(H)(1)(c) UNDOC DEDUCTS	TOTAL DUE
10-10-93	93010356	\$610.84	\$13.75	\$259.00	\$883.59
10-23-93	93011017	\$158.28	\$13.75	\$0.00	\$172.03
11-09-93	93011880	\$1.78	\$13.75	\$26.25	\$41.78
12-05-93	93013264	\$16.75	\$13.75	\$0.00	\$30.50
12-06-93	93013411	\$10.79	\$13.75	\$15.00	\$39.54
02-05-94	94002598	\$1.77	\$13.75	(\$23.00)	\$15.52
02-15-94	94003236	\$279.96	\$13.75	(\$225.50)	\$293.71
03-21-94	94005778	\$60.80	\$13.75	\$0.00	\$74.55
04-03-94	94006792	\$29.87	\$13.75	\$200.00	\$243.62
04-08-94	94007254	(\$62.40)	\$13.75	\$0.00	\$13.75
05-11-94	94009696	\$21.10	\$0.25	\$182.00	\$203.35
05-15-94	94009932	\$90.10	\$13.75	\$147.50	\$251.35
06-09-94	94012048	\$117.67	\$0.25	\$181.00	\$298.92
06-16-94	94012707	\$557.74	\$13.75	\$602.00	\$1,173.49
07-06-94	94014490	\$1,788.12	\$13.75	\$2,974.50	\$4,776.37
07-12-94	94014704	\$247.57	\$13.75	\$0.00	\$261.32
07-18-94	94015191	\$270.55	\$13.75	(\$370.00)	\$284.30
09-06-94	94019712	\$457.50	\$13.75	\$0.00	\$471.25
09-14-94	94020584	\$378.42	\$13.75	(\$75.00)	\$392.17
09-16-94	94020669	\$65.00	\$13.75	\$0.00	\$78.75
09-16-94	94020684	\$0.00	\$0.25	\$0.00	\$0.25
09-19-94	94020964	\$217.75	\$13.75	\$35.00	\$266.50
10-08-94	94022759	\$45.74	\$13.75	\$0.00	\$59.49
10-19-94	94023802	\$487.50	\$13.75	\$0.00	\$501.25
11-07-94	94025638	(\$48.96)	\$13.75	(\$720.00)	\$13.75
11-13-94	94026090	\$3.40	\$1.75	\$50.00	\$55.15
11-18-94	94026746	\$596.02	\$13.75	\$0.00	\$609.77
11-22-94	94027007	\$721.96	\$13.75	(\$2,223.00)	\$735.71
11-26-94	94027121	\$376.98	\$13.75	\$0.00	\$390.73
12-11-94	94028681	\$525.50	\$13.75	\$0.00	\$539.25
12-26-94	94030336	(\$0.36)	\$13.75	\$61.67	\$75.42
01-02-95	95000552	\$754.00	\$13.75	\$70.00	\$837.75
01-12-95	95001222	\$1.43	\$0.00	\$54.55	\$55.98

EXHIBIT B (Page 2 of 2)

AMERICAN INTERNATIONAL INSURANCE COMPANY

First-Party Automobile Total Losses

Violations of A.A.C. R20-6-801 and A.R.S. §20-461(A)(6)

DATE OF LOSS	CLAIM NUMBER	(H)(1)(b) SALES TAX	(H)(1)(b) LICENSE FEES	(H)(1)(c) UNDOC DEDUCTS	TOTAL DUE
01-30-95	95002760	\$177.31	\$13.75	\$0.00	\$191.06
02-17-95	95004650	\$408.00	\$13.75	\$0.00	\$421.75
02-20-95	95004726	\$0.00	\$0.50	\$0.00	\$0.50
04-10-95	95009517	\$231.24	\$13.75	\$55.00	\$299.99
05-28-95	95014430	\$82.29	(\$4.75)	\$516.25	\$598.54
06-05-95	95015050	(\$2.49)	\$13.75	\$0.00	\$13.75
03-15-95	95015960	\$215.22	\$13.75	\$605.00	\$833.97
06-18-95	95016317	(\$77.62)	\$13.75	\$0.00	\$13.75
07-15-95	95019289	\$0.00	\$13.75	\$0.00	\$13.75
07-31-95	95020747	(\$21.94)	\$13.75	\$0.00	\$13.75
10-01-95	95027582	\$0.00	\$0.00	\$0.00	\$0.00
11-02-95	95031201	\$83.00	\$0.00	\$733.33	\$816.33
11-23-95	95033521	(\$36.66)	\$13.75	\$0.00	\$13.75
02-11-96	96004924	\$54.22	\$0.00	\$0.00	\$54.22

TOTAL DUE: \$17,425.97

EXHIBIT C

AMERICAN INTERNATIONAL INSURANCE COMPANY

First-Party Automobile Total Losses

Violations of A.A.C. R20-6-801 and A.R.S. §20-461(A)(6)

DATE OF LOSS	CLAIM NUMBER	(H)(1)(b) SALES FEES	(H)(1)(b) LICENSE DEDUCTS	(H)(1)(c) UNDOC DUE	TOTAL DUE	*REFUND AMOUNT	BALANCE DUE
12-01-93	93013915	\$22.65	\$13.75	\$88.00	\$124.40	\$37.13	\$87.27
03-05-94	94004670	(\$4.31)	\$13.75	\$0.00	\$13.75	\$12.16	\$1.59
04-27-94	94008705	\$49.95	\$0.25	\$322.50	\$372.70	\$372.04	\$0.66
05-02-94	94009015	\$71.09	\$0.25	\$863.00	\$934.34	\$868.16	\$66.18
05-05-94	94009189	\$1,190.00	\$13.75	\$0.00	\$1,203.75	\$247.16	\$956.59
05-05-94	94009249	\$428.08	\$13.75	\$33.00	\$474.83	\$464.64	\$10.19
05-17-94	94010128	\$456.77	\$13.75	\$0.00	\$470.52	\$351.42	\$119.10
06-11-94	94012590	\$207.87	\$13.75	(\$152.00)	\$221.62	\$87.65	\$133.97
08-14-94	94017605	\$361.55	\$13.75	\$65.00	\$440.30	\$414.00	\$26.30
08-19-94	94018108	\$217.90	\$13.75	\$0.00	\$231.65	\$147.06	\$84.59
08-30-94	94019261	(\$15.61)	\$0.25	\$141.00	\$141.25	\$17.10	\$124.15
09-16-94	94021036	\$251.30	\$13.75	\$70.00	\$335.05	\$320.50	\$14.55
10-04-94	94022435	\$100.86	\$13.75	\$0.00	\$114.61	\$2.90	\$111.71
10-11-94	94023286	\$11.81	\$0.25	\$110.00	\$122.06	\$5.61	\$116.45
11-06-94	94025395	\$208.00	\$13.75	\$105.00	\$326.75	\$261.33	\$65.42
11-03-94	94025497	\$344.50	\$13.75	\$110.00	\$468.25	\$437.50	\$30.75
12-03-94	94028105	\$266.00	\$13.75	\$90.00	\$369.75	\$331.28	\$38.47
12-06-94	94028255	\$301.08	\$13.75	\$37.00	\$351.83	\$290.82	\$61.01
04-28-95	95010579	\$430.29	\$13.75	\$0.00	\$444.04	\$396.60	\$47.44
08-04-95	95021407	\$14.07	(\$4.75)	\$0.00	\$14.07	\$10.65	\$3.42
09-03-95	95024678	\$24.25	\$598.05	\$0.00	\$622.30	\$429.78	\$192.52

\$7,797.8 \$5505.49 \$2292.3

2 **3**

* AIIC has refunded these amounts, balance due.

EXHIBIT D (Page 1 of 2)

AMERICAN INTERNATIONAL INSURANCE COMPANY

Third-Party Automobile Total Losses

Violations A.R.S. § 20-461(A)(6)

DATE OF LOSS	CLAIM NUMBER	SALES TAX	LICENSE FEE	INAPPROPRIATE /UNDOC DEDUCT	TOTAL DUE
10-23-93	93011017	\$89.21	\$10.31	\$0.00	\$99.52
10-25-93	93011109	\$50.99	\$13.75	\$0.00	\$64.74
11-02-93	93011707	\$35.00	\$13.75	\$0.00	\$48.75
02-24-94	94003943	(\$3.77)	\$13.75	\$0.00	\$13.75
02-19-94	94004215	\$6.90	\$0.25	\$0.00	\$7.15
03-26-94	94006264	(\$5.80)	\$13.75	\$0.00	\$13.75
03-26-94	94006288	\$160.80	\$13.75	\$0.00	\$174.55
04-06-94	94007073	\$1.15	\$1.25	\$0.00	\$2.40
04-08-94	94007273	\$268.00	\$13.75	\$0.00	\$281.75
05-02-94	94009015	\$0.00	\$13.75	\$0.00	\$13.75
05-07-94	94009378	\$33.50	\$13.75	\$0.00	\$47.25
05-18-94	94010283	\$60.00	\$13.75	\$0.00	\$73.75
05-23-94	94011598	\$37.38	\$13.75	\$575.00	\$626.13
06-09-94	94012048	\$220.25	\$0.25	\$0.00	\$220.50
05-16-94	94012746	\$1.36	\$0.25	\$20.00	\$21.61
06-16-94	94012707	\$300.22	\$13.75	\$0.00	\$313.97
06-24-94	94013615	\$306.25	\$14.75	\$0.00	\$321.00
07-09-94	94014871	\$0.00	\$0.25	\$0.00	\$0.25
07-23-94	94015873	\$2.15	\$0.25	\$0.00	\$2.40
07-26-94	94016050	\$727.60	\$13.75	\$0.00	\$741.35
07-26-94	94016062	\$11.07	\$0.25	\$100.00	\$111.32
08-26-94	94019053	\$218.11	\$13.75	\$0.00	\$231.86
09-19-94	94020964	\$120.27	\$13.75	\$105.00	\$239.02
09-29-94	94021973	\$253.30	\$13.75	\$0.00	\$267.05
10-20-94	94023931	\$225.36	\$13.75	\$122.00	\$361.11
11-03-94	94025497	\$5.79	\$13.75	\$0.00	\$19.54
11-07-94	94025638	\$157.78	\$13.75	\$0.00	\$171.53
12-11-94	94028681	\$172.38	\$13.75	\$85.00	\$271.13
11-28-94	94030086	\$353.60	\$13.75	\$455.00	\$822.35

EXHIBIT D (Page 2 of 2)

AMERICAN INTERNATIONAL INSURANCE COMPANY

Third-Party Automobile Total Losses

Violations A.R.S. § 20-461(A)(6)

DATE OF LOSS	CLAIM NUMBER	SALES TAX	LICENSE FEE	INAPPROPRIATE /UNDOC DEDUCT	TOTAL DUE
12-26-94	94030366	\$0.00	\$13.75	\$0.00	\$13.75
01-05-95	95000527	\$5.60	\$0.00	\$80.00	\$85.60
12-29-94	95001111	\$2.61	\$0.00	\$38.25	\$40.86
01-12-95	95001234	\$4.90	\$12.38	\$72.00	\$89.28
01-12-95	95001579	\$26.05	\$0.00	\$65.00	\$91.05
02-18-95	95004672	\$0.00	\$13.75	\$0.00	\$13.75
03-10-95	95006691	\$272.37	\$13.75	\$0.00	\$286.12
04-10-95	95009517	\$140.62	\$13.75	\$0.00	\$154.37
04-20-95	95010450	\$200.48	\$13.75	\$49.50	\$263.73
05-07-95	95012073	\$201.37	\$13.75	\$0.00	\$215.12
05-22-95	95013662	\$7.83	\$13.75	\$0.00	\$21.58
05-22-95	95013829	\$70.41	\$11.00	\$0.00	\$81.41
05-31-95	95014506	\$211.98	\$13.75	\$0.00	\$225.73
06-05-95	95015166	\$125.13	\$12.37	\$0.00	\$137.50
07-26-95	95020475	\$40.50	\$6.88	\$0.00	\$47.38
09-02-95	95024638	\$114.94	\$12.38	\$67.50	\$194.82
09-05-95	95024726	\$399.38	\$13.75	\$650.00	\$1,063.13
09-29-95	95027566	\$15.00	\$0.00	\$0.00	\$15.00
10-25-95	95030391	\$0.00	\$12.38	\$0.00	\$12.38
11-13-95	95032342	\$102.23	\$0.00	\$0.00	\$102.23
12-03-95	95034463	\$8.40	\$0.00	\$120.00	\$128.40
12-07-95	95035077	\$10.54	\$0.00	\$0.00	\$10.54
12-18-95	95036212	\$0.00	\$13.75	\$0.00	\$13.75
12-21-95	95036621	\$227.50	\$0.00	\$0.00	\$227.50
TOTAL DUE:					\$9,118.21

EXHIBIT E (Page 1 of 2)

AMERICAN INTERNATIONAL INSURANCE COMPANY

First-Party Automobile Total Losses

Violations of A.A.C. R20-6-801 and A.R.S. §20-461(A)(6)

DATE OF LOSS	CLAIM NUMBER	(H)(1)(b) SALES FEES	(H)(1)(b) LICENSE DEDUCTS	(H)(1)(c) UNDOC DUE	TOTAL DUE	REFUND AMOUNT
11-06-93	93011856	\$67.63	\$0.25	\$1,009.00	\$1,076.88	\$1,258.68
11-17-93	93012401	\$151.45	\$13.75	\$0.00	\$165.20	\$217.36
01-01-94	94000047	\$0.00	\$13.75	\$0.00	\$13.75	\$17.85
02-14-94	94003083	\$49.10	\$13.75	\$885.00	\$947.85	\$1,445.54
03-31-94	94006666	\$50.50	\$13.75	\$710.00	\$774.25	\$990.59
04-15-94	94007673	(\$4.04)	\$0.25	\$75.00	\$75.25	\$90.83
04-16-94	94007753	\$191.62	\$13.75	\$2,948.00	\$3,153.37	\$4,022.45
04-22-94	94008315	\$0.00	\$13.75	\$0.00	\$13.75	\$17.44
04-24-94	94008344	\$36.46	\$0.25	\$117.00	\$153.71	\$195.64
04-29-94	94008825	\$2.56	\$13.75	\$152.00	\$168.31	\$213.94
05-06-94	94009329	\$130.44	\$0.25	\$1,254.00	\$1,384.69	\$2,050.71
05-07-94	94009408	\$153.00	\$13.75	\$0.00	\$166.75	\$211.92
05-26-94	94010848	\$35.56	\$0.25	\$483.00	\$518.81	\$588.50
06-30-94	94013905	\$12.62	\$0.25	\$0.00	\$12.87	\$16.13
06-21-94	94015687	\$392.02	\$13.75	\$65.00	\$470.77	\$587.81
08-09-94	94017436	\$437.41	\$13.75	\$148.00	\$599.16	\$631.50
09-07-94	94019829	\$402.87	\$13.75	\$75.00	\$491.62	\$507.20
09-29-94	94021973	\$575.86	\$13.75	\$0.00	\$589.61	\$593.43
10-02-94	94022176	\$464.44	\$13.75	\$130.00	\$608.19	\$738.33
09-30-94	94022183	\$244.02	\$13.75	\$0.00	\$257.77	\$316.72
11-04-94	94025326	\$710.15	\$13.75	\$0.00	\$723.90	\$791.13
11-11-94	94025964	\$47.58	\$13.75	\$0.00	\$61.33	\$74.07
11-18-94	94026718	\$420.48	\$13.75	\$0.00	\$434.23	\$527.76
11-23-94	94027115	\$1,100.37	\$13.75	\$35.00	\$1,149.12	\$1,394.35
11-25-94	94027144	\$0.00	\$13.75	\$0.00	\$13.75	\$16.63
11-29-94	94027518	\$480.68	\$13.75	\$0.00	\$494.43	\$599.77
12-14-94	94028975	\$2,201.50	\$13.75	\$0.00	\$2,215.25	\$2,677.71
12-19-94	94029429	\$258.06	\$13.75	\$0.00	\$271.81	\$327.83
01-01-95	95000085	\$339.66	\$13.75	\$0.00	\$353.41	\$425.33
01-10-95	95000992	\$17.29	\$0.00	\$376.33	\$393.62	\$528.47
01-23-95	95002285	\$621.44	\$13.75	\$0.00	\$635.19	\$760.99
01-31-95	95003080	\$187.50	\$13.75	\$0.00	\$201.25	\$240.55
02-15-95	95004429	\$22.94	\$0.00	\$224.75	\$247.69	\$263.80

03-01-95	95005712	(\$10.58)	\$0.00	\$327.50	\$327.50	\$376.38
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EXHIBIT E (Page 2 of 2)

AMERICAN INTERNATIONAL INSURANCE COMPANY

First-Party Automobile Total Losses

Violations of A.A.C. R20-6-801 and A.R.S. §20-461(A)(6)

DATE OF LOSS	CLAIM NUMBER	(H)(1)(b) SALES FEES	(H)(1)(b) LICENSE DEDUCTS	(H)(1)(c) UNDOC DUE	TOTAL DUE	REFUND AMOUNT
03-16-95	95007078	\$22.22	\$13.75	\$110.38	\$146.35	\$173.19
03-16-95	95007187	\$25.28	\$0.00	\$0.00	\$25.28	\$29.90
03-19-95	95007325	\$62.54	\$0.00	\$0.00	\$62.54	\$73.96
03-20-95	95007419	\$134.64	\$13.75	\$0.00	\$148.39	\$157.45
03-30-95	95008424	\$185.30	\$13.75	\$0.00	\$199.05	\$234.86
04-26-95	95011066	\$39.13	\$13.75	\$527.35	\$580.23	\$680.18
04-30-95	95011390	\$21.75	\$0.00	\$0.00	\$21.75	\$25.47
04-27-95	95011542	\$375.34	\$13.75	\$505.00	\$894.09	\$1,046.66
05-02-95	95011569	\$3.90	\$0.00	\$0.00	\$3.90	\$4.53
05-06-95	95012056	\$178.86	\$0.00	\$2,537.00	\$2,715.86	\$3,175.65
05-10-95	95012367	118.93	13.75	\$0.00	\$132.68	\$154.56
05-21-95	95013568	\$1,524.84	\$13.75	\$1,000.00	\$2,538.59	\$3,326.43
06-07-95	95015199	\$109.46	\$0.00	\$35.00	\$144.46	\$170.68
07-03-95	95017990	\$333.11	\$13.75	\$179.60	\$526.46	\$607.53
07-16-95	95019271	\$1.74	\$13.75	\$0.00	\$15.49	\$17.68
07-28-95	95020778	\$86.10	\$0.00	\$1,250.00	\$1,336.10	\$1,531.54
08-28-95	95023839	\$175.19	\$13.75	\$0.00	\$188.94	\$215.10
09-11-95	95025455	\$5.36	\$0.00	\$0.00	\$5.36	\$6.04
09-05-95	95025554	\$56.69	(\$4.75)	\$804.00	\$860.69	\$1,007.12
10-10-95	95028527	\$38.02	\$0.00	\$500.67	\$538.69	\$606.60
10-22-95	95029948	31.73	\$0.00	\$450.00	\$481.73	\$540.95
10-25-95	95030391	\$1,051.28	\$13.75	\$0.00	\$1,065.03	\$1,195.17
10-26-95	95030534	\$39.13	\$0.25	\$555.00	\$594.38	\$667.15
11-02-95	95031297	\$367.68	\$13.75	\$0.00	\$381.43	\$427.41
11-09-95	95032167	(\$30.08)	\$0.00	\$100.00	\$69.92	\$78.13
11-11-95	95032599	\$100.30	\$13.75	\$1,375.00	\$1,489.05	\$1,665.26
12-21-95	95036621	\$209.59	\$0.00	\$0.00	\$209.59	\$232.03
12-21-95	95036684	\$13.05	\$0.00	\$0.00	\$13.05	\$14.41
12-24-95	95036812	\$0.00	\$13.75	\$0.00	\$13.75	\$15.20
01-08-96	96001130	\$58.91	\$13.75	\$800.00	\$872.66	\$961.33
01-19-96	96002391	\$271.07	\$13.75	\$200.00	\$484.82	\$530.71
02-01-96	96003974	\$3.78	\$13.75	\$0.00	\$17.53	\$19.20

TOTAL OWED: \$35,942.88 \$43,309.42

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2 This 23rd day of February 2001, to:

3 Sara Begley
4 Deputy Director
5 Mary Butterfield
6 Assistant Director
7 Consumer Affairs Division
8 Paul J. Hogan
9 Chief Market Conduct Examiner
10 Market Conduct Examinations Division
11 Deloris E. Williamson
12 Assistant Director
13 Rates & Regulations Division
14 Steve Ferguson
15 Assistant Director
16 Financial Affairs Division
17 Alexandra Shafer
18 Assistant Director
19 Life & Health Division
20 Nancy Howse
21 Chief Financial Examiner
22 Terry L Cooper
23 Fraud Unit Chief

24
25 DEPARTMENT OF INSURANCE
2910 North 44th Street, Suite 210
Phoenix, AZ 85018

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