

AUG 25 2015

DEPT OF INSURANCE  
BY MS

STATE OF ARIZONA  
DEPARTMENT OF INSURANCE

In the Matter of an Objection by:

**FIGUEREDO, AURELIO J. AND  
MAUREEN E. JACOBS,**

Petitioners,

of a Notice of Cancellation by

**TRAVELERS INDEMNITY COMPANY OF  
AMERICA,**

Real Party in Interest.

**No. 15A-109-INS**

**ORDER**

On August 17, 2015, Aurelio J. and Maureen E. Jacobs Figueredo ("Petitioners") filed an objection with the Arizona Department of Insurance ("Department") pursuant to Arizona Revised Statutes ("A.R.S.") §§ 20-1633(A) and 20-1652(B) to appeal the cancellation of their homeowners insurance policy by Travelers Indemnity Company of America ("Travelers").

On August 18, 2015, the Acting Director of the Department of Insurance ("Acting Director") ordered an examination of the objection. On August 21, 2015, the Department, through examiner Chris Hobert, issued an Examiner Recommendation ("Recommendation") received by the Director on August 21, 2015. The Recommendation is attached and incorporated by this reference.

The Acting Director has reviewed the Recommendation and enters the following Order:

1. The Acting Director approves Travelers' action.

1 2. Travelers shall pay the costs of the examination pursuant to A.R.S. § 20-  
2 1633(C).

3 **NOTIFICATION OF RIGHTS**

4 Either party may appeal the determination of the Director to the Superior Court of  
5 Maricopa County for judicial review pursuant to A.R.S. § 20-1633(C) and Title 12, Chapter  
6 7, Article 6. A party filing an appeal must notify the Arizona Department of Insurance:  
7 Consumer Affairs Division of the appeal within ten (10) days after filing the complaint  
8 commencing the appeal. A.R.S. § 12-904(B).

9 DATED this 24<sup>th</sup> day of August, 2015.

10  
11   
12 Darren T. Ellingson  
13 Darren T. Ellingson, Acting Director  
14 Arizona Department of Insurance

15 COPY of the foregoing mailed/delivered  
16 this 25<sup>th</sup> day of August, 2015, to:

17 Aurelio J. Figueredo  
18 Maureen E. Jacobs Figueredo  
19 3671 W. Gailey Dr.  
20 Tucson, Arizona 85741  
21 Petitioners

22 Denise J. Sailer  
23 Director Consumer Affairs  
24 Travelers Indemnity Company of America  
25 One Tower Square  
26 Hartford, CT 06183  
Real Party in Interest

Mary E. Kosinski, Exec. Asst. for Regulatory Affairs  
Yvonne Hunter, Assistant Director, Consumer Affairs Division  
Catherine M. O'Neil, Consumer Affairs Legal Officer  
Arizona Department of Insurance  
2910 N. 44<sup>th</sup> Street, Suite 210  
Phoenix, Arizona 85018

1 **COPY** sent same date via electronic mail to:

2 Aurelio and Maureen Figueredo

3 Maureen.figueredo@gmail.com

4 Petitioners

5 The Travelers Indemnity Company of American

6 AZ-DOI@Travelers.com

7 Real Party in Interest

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9   
10 Maidene Scheiner

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RECEIVED

AUG 21 2015

AZ DEPT. OF INSURANCE  
ADMINISTRATIVE SERVICES

## EXAMINER RECOMMENDATION

**TO:** Darren T. Ellingson, Acting Director

**FROM:** Chris Hobert, Market Conduct Senior Examiner

**RE:** Matter of Aurelio & Maureen Figuerdo and Travelers Indemnity Company of America (Homeowner Non Renewal)

**DATE:** August 21, 2015

Travelers Indemnity Company of America ("Company" or "Travelers") as well as Aurelio & Maureen Figuerdo provided the Examiner by August 21, 2015 with additional information to support each of their positions regarding the upcoming September 15, 2015 non renewal of Aurelio & Maureen Figuerdo's homeowner policy ( 3 1).

### Overview:

Aurelio & Maureen Figuerdo have been insured with Travelers since 1999. They have filed three (3) claims (1/5/12, 8/22/13 and 9/4/14) totaling \$7,552.00.

On August 11, 2015 the Company sent the Figuerdo's a non renewal notice to be effective on September 15, 2015 due to "loss(es)".

### Issues:

The policyholder disagrees with the description of the Cause of Loss on the non renewal notice provided by the Company for the DOL of 01/05/2012 as "Water Damage-Non Weather". The policyholder maintains the claim involved a natural gas leak at their property. The Figuerdo's were not able to stay in their home and filed a living expenses claim for \$177.00 for a couple of nights in a hotel and for some dinners out.

The policyholder is requesting a written correction of the recorded information in dispute.

The policyholder does not dispute the other two (2) claims listed on the non renewal notice.

### Examiner Review

Contrary to the policyholder's statement the Company based their decision to non renew the policy based on losses during the policy tenure.

The Company admits in their letter dated August 20, 2015 that they improperly coded the loss dated January 5, 2012 as a water damage loss. They have made the necessary corrections in coding to now read "All Other Damage" in their system. Screen print evidence has been provided to the Examiner showing the change.

### **Recommendation**

The Examiner believes the Company met its obligation under the statute, Underwriting Guidelines and HO Policy contract (Homeowners Policy Special Form HO-3(06/06) Section I and Section II – Conditions (page 24). The Company mailed a non renewal notice at least 30 days before expiration to the named insured at the address shown on their Declaration Page. The Company may have improperly coded a loss on the non renewal notice, however this would not have changed the policy from its present non renewal status.

The Company position should be upheld and the policy should be non renewed effective September 15, 2015.

The Examiner carefully reviewed all information provided by all parties involved while putting together this recommendation.

### **SUMMARY**

This concludes the Examiner's recommendation on the matter of Aurelio & Maureen Figueredo against Travelers Indemnity Company of America. If I can be of any further assistance in finalizing this matter, please let me know. Thank you,  
Chris Hobert, CIE, MCM

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