STATE OF ARIZONA
Department of Insurance and Financial Institutions
FILED March 4, 2025 by AS

ARIZONA DIFI
DEPARTMENT OF
INSURANCE AND FINANCIAL INSTITUTIONS

REPORT OF MARKET CONDUCT EXAMINATION

OF

COUNTRY CASUALTY INSURANCE COMPANY, NAIC CoCode 20982

COUNTRY MUTUAL INSURANCE COMPANY, NAIC CoCode 20990

AND

COUNTRY PREFERRED INSURANCE COMPANY, NAIC CoCode 21008

AS OF

December 31, 2022

AZ Exam No. 60536

NAIC MATS No. AZ-JESSENK-5

TABLE OF CONTENTS

MARKET CONDUCT SECTION
Arizona Department of Insurance and Financial Institutions
100 North 15th Avenue, Suite 261, Phoenix, AZ 85007-2630
Phone: (602) 364-4994 | Web: https://difi.az.gov | Email: marketconduct@difi.az.gov

Katie M. Hobbs, Governor **Barbara D. Richardson, Director**

Director Barbara D. Richardson
Arizona Department of Insurance and Financial Institutions
100 N. 15th Ave, Suite 261
Phoenix, Arizona 85007-2624

Dear Director Richardson:

Pursuant to your instructions and in conformity with the provisions of the Insurance Laws and Rules of the State of Arizona, an examination has been made of the market conduct affairs of the:

COUNTRY CASUALTY INSURANCE COMPANY, NAIC CoCode 20982

COUNTRY MUTUAL INSURANCE COMPANY, NAIC CoCode 20990

AND

COUNTRY PREFERRED INSURANCE COMPANY, NAIC CoCode 21008

Shelly Schuman, ACS, AIE, AMCM, CICSR, CIS, FLMI, HIA, PAHM, Market Regulation Director, conducted the examination with the assistance of Bruce Glaser, CIE, MCM, AIRC, CPCU, CLU, ChFC, FLMI, ARM-Pe, CICSR, CRIS, FAHM, PHIAS, Market Regulation Senior Examiner, and Tony Taylor, DM, MCM, PMP, CSM, SA, Data Regulation Manager.

The examination covered January 1, 2019, through December 31, 2022.

As a result of that examination, the following Report of Examination is respectfully submitted.

Sincerely yours,

Maria G. Ailor, AIE, AMCM, Assistant Director
Market Regulation and Consumer Services Division

AFFIDAVIT

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

Shelly Schuman, ACS, AIE, AMCM, CICSR, CIS, FLMI, HIA, PAHM, being first duly sworn, states that I am a duly appointed Market Regulation Director for the Arizona Department of Insurance and Financial Institutions. Under my direction and with my participation and the participation of Bruce Glaser, CIE, MCM, AIRC, CPCU, CLU, ChFC, FLMI, ARM-Pe, CICSR, CRIS, FAHM, PHIAS, Market Regulation Senior Examiner, and Tony Taylor, DM, MCM, PMP, CSM, SA, Data Regulation Manager, the Examination of Country Casualty Insurance Company, Country Mutual Insurance Company, And Country Preferred Insurance Company, hereinafter referred to as the "Companies," was performed at the request of the Arizona Department of Insurance and Financial Institutions. The information contained in this Report, which consists of the following pages, is true and correct to the best of my knowledge and belief, and any conclusions and recommendations contained in and made a part of this Report are such as may be reasonably warranted from the facts disclosed in the Examination Report.

Shelly Schuman
Shelly Schuman, ACS, AIE, AMCM, CICSR, CIS, FLMI, HIA, PAHM
Market Regulation Director
The INS Companies

Subscribed and sworn to before me this 26th day of July, 2024.

Dee Ludwig
Notary Public

My Commission Expires: 11-27-2024

DEE LUDWIG
Notary Public - Notary Seal
Jackson County - State of Missouri
Commission Number 12410777
My Commission Expires Nov 27, 2024

FOREWARD

This market conduct examination report of Country Casualty Insurance Company, Country Mutual Insurance Company, and Country Preferred Insurance Company (herein referred to as the "Companies") was prepared by employees of the Arizona Department of Insurance and Financial Institutions ("Department" and "DIFI") as well as independent examiners contracting with the Department. A market conduct examination reviews certain business practices of insurers licensed to conduct insurance business in Arizona. The examiners reviewed the Companies in accordance with Arizona Revised Statutes (A.R.S.) §§ 20-142, 20-156, and 20-157. The findings in this report, including all work products developed in the production of this report, are the sole property of the Department.

The examination reviewed private passenger automobile ("PPA") and homeowner ("HO") business operations related to underwriting and rating.

Certain unacceptable or non-complying practices may not have been discovered during this examination. Additionally, findings may not be material to all areas that would serve to assist the Director.

Failure to identify or criticize specific practices of the Companies does not constitute acceptance of those practices by the Department.

SCOPE AND METHODOLOGY

The Companies' examination was conducted in accordance with the standards and procedures established by the National Association of Insurance Commissioners (NAIC) and the Department. The purpose of the examination was to determine the Companies' compliance with Arizona's insurance laws.

The focus of the examination was the Companies' compliance with A.R.S. § 20-2110(F)(3) and the use of bankruptcies as a rating factor. The Companies were requested to self-audit their credit scoring models for all property and casualty products sold in Arizona from January 1, 2019, to December 31, 2022. The purpose of the self-audit was to determine if consumers were rated and paid higher premiums due to a bankruptcy aged more than 7 years, in violation of A.R.S. § 20-2110(F)(3). If violations were found as part of the self-audit, the Companies would be required to submit a Corrective Action Plan to remediate those violations.

In accordance with Department procedures, the examiners completed a preliminary finding ("Finding") form on those policies that were not in apparent compliance with Arizona law. The Finding forms were submitted for review and comment to the representative designated by the Companies' management to be knowledgeable about the files. For each finding, the Companies were requested to agree, disagree, or otherwise justify the Companies' noted action.

HISTORY OF THE COMPANIES

(Provided by the Companies in Part)

The COUNTRY Financial® group of companies (“COUNTRY Financial”) is under the common control of the Illinois Agricultural Association® (“IAA”): The Board of Directors for each Illinois-domiciled insurance company consists of the same members, and the executive officers of each company are mostly the same. COUNTRY Financial offers property/casualty products through exclusive agents in nineteen states.

In 1925, a group of Illinois farmers formed the first company to address fire and casualty risks associated with the industry. This company was domiciled in Chicago, Illinois. In 1927, a second insurance company was formed to write automobile insurance. These two companies merged in 1957 and became Country Mutual Insurance Company.

- In 1961, the home offices of IAA and COUNTRY Financial were relocated to their current location in Bloomington, Illinois.
- In 1964, Country Casualty Insurance Company was formed to write hail insurance for farmers and later expanded into additional states with property/casualty offerings outside agriculture.
- In the 1970s, Country Mutual Insurance Company acquired the Mid-America Fire and Marine Insurance Company with business in Arizona, Colorado, Kansas, Missouri, and Oklahoma.
- In 1986, Country Mutual Insurance Company acquired the Northwest Farm Bureau Insurance Company with business in Alaska, Nevada, Oregon, and Washington.
- From 1999 through 2001, COUNTRY Financial expanded into California, Iowa, Minnesota, North Dakota, and Wisconsin.
- In 2005, COUNTRY Financial expanded into Alabama, Florida, Georgia, and Tennessee.

Following this period of acquisition and expansion, COUNTRY Financial discontinued providing insurance products in California and Florida.

The COUNTRY Financial group’s additional offices are in Alpharetta, Georgia, and Minneapolis, Minnesota.

EXAMINATION REPORT SUMMARY

The Director may examine and investigate the affairs of every insurance institution or insurance producer doing business in this state to determine whether the insurance institution or insurance producer has been or is engaged in any conduct in violation of this chapter, pursuant to A.R.S. §§ 20-142, 20-156, 20-157, 20-158, and 20-159 in addition to § 20-2114.

During the examination period, the COUNTRY Financial® group of companies ("COUNTRY") utilized two rating systems – Legacy and PPro. COUNTRY explained that Legacy was the rating system formed by COUNTRY when it converted from paper files. COUNTRY later selected the PPro rating system. The first line of business to utilize the PPro was PPA, and those first policies were issued on April 21, 2017.

The examination concluded that the Country Casualty Insurance Company ("CCIC"), Country Mutual Insurance Company ("CMIC"), and Country Preferred Insurance Company ("CPIC") responses during the examination demonstrated noncompliance with A.R.S. § 20-2110(F) for both the Legacy Rating System and the PPro Rating System.

PPA policies that utilized the Legacy Rating System

- CCIC New Business Policies: There were no findings related to the examination.
- CCIC Renewal Policies: There were no findings related to the examination.
- CMIC New Business Policies: There were no findings related to the examination.
- CMIC Renewal Policies: There were 2 insureds, affecting 13 renewal periods, where the bankruptcy date was aged to more than 7 years old as of the policy renewal date. These 13 renewal periods constitute violations of A.R.S. § 20-2110(F)(3).
- CPIC New Business Policies: There were 4 insureds whose bankruptcy date was aged to more than 7 years old (84 months) as of the policy inception date, and constitute violations of A.R.S. § 20-2110(F)(3).
- CPIC Renewal Policies: There were 31 insureds, affecting 112 renewal periods where the bankruptcy date was aged to more than 7 years (84 months) old as of the policy renewal date. These 112 renewal periods constitute violations of A.R.S. § 20-2110(F)(3).

PPA policies that utilized the PPro Rating System

- CCIC New Business Policies: There were no findings related to the examination.
- CCIC Renewal Policies: There was 1 insured, affected by 7 renewal periods where the bankruptcy date was aged to more than 7 years (84 months) as of the policy renewal date. These 7 renewal periods constitute violations of A.R.S. § 20-2110(F)(3).
- CMIC New Business Policies: There were no findings related to the examination.

- CMIC Renewal Policies: There were 8 insureds, affected by 21 renewal periods where the bankruptcy date was aged to more than 7 years (84 months) as of the policy renewal date. These 21 renewal periods constitute violations of A.R.S. § 20-2110(F)(3).

- CPIC New Business Policies: There were 6 insureds whose bankruptcy date was aged to more than 7 years (84 months) as of the policy inception date, and constitute violations of A.R.S. § 20-2110(F)(3).

- CPIC Renewal Policies: There were 37 insureds affected by 131 renewal periods affected where the bankruptcy date was aged to more than 7 years (84 months) old as of the policy renewal date. These 131 renewal periods constitute violations of A.R.S. § 20-2110(F)(3).

HO policies that utilized the Legacy Rating System

- CMIC New Business Policies: There were 3 insureds whose bankruptcy date was aged to more than 7 years (84 months) old as of the policy inception date, and constitute violations of A.R.S. § 20-2110(F)(3).

- CMIC Renewal Policies: There were 57 insureds affected by 146 renewal periods where the bankruptcy date was aged to more than 7 years (84 months) old as of the policy renewal date. These 146 renewal periods constitute violations of A.R.S. § 20-2110(F)(3).

HO policies that utilized the PPro Rating System

- CPIC New Business Policies: There were no findings related to the examination.

- CPIC Renewal Policies: There were 4 insureds affected by 8 renewal periods where the bankruptcy date was aged to more than 7 years (84 months) old as of the policy renewal date. These 8 renewal periods constitute violations of A.R.S. § 20-2110(F)(3).

Note: Country Casualty Insurance Company does not write HO business in Arizona.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK

CORRECTIVE ACTION PLAN

This Corrective Action Plan defines the corrective action requirements applicable to Country Casualty Insurance Company (CMIC), Country Mutual Insurance Company (CMIC), and Country Preferred Insurance Company (CPIC) resulting from the market conduct examination conducted by the Department.

Area of Concern: Bankruptcy Factor Rating of Policies

Corrective Actions

1. As of September 15, 2024, and prior to the conclusion of this examination, CCIC, CMIC, and CPIC (collectively the "Companies") submitted SERFF filings that memorialize that the Companies will no longer use bankruptcies or lien rating factors in their calculation of credit-based insurance scores:
    a. No later than sixty days after the filing of this Report, the Companies will instruct their vendor to cease and desist the use of reporting and/or calculating credit-based insurance scores that include bankruptcies or liens as rating factors.
    b. The Companies will provide the Department copies of all communications, newly executed contract addendums, attestations, and/or other documentation that demonstrates that the Companies will no longer receive insurance scores or data strings containing bankruptcies or liens from each of their vendors.
2. No later than sixty days after the filing of this report, CMIC will provide the Department with a data set outlining the remediation for the **44 total policyholders**[1] that were improperly rated for a bankruptcy and whose premium was adversely impacted. Specifically, CMIC will remediate policyholders utilizing the schedule amounts below:
    a. Policyholders rated improperly at new business – $50;
    b. Policyholders rated improperly at 1 renewal – $50;
    c. Policyholders rated improperly at 2 renewals – $75;
    d. Policyholders rated improperly at 3 renewals – $100;
    e. Policyholders rated improperly at 4 renewals – $125;
    f. Policyholders rated improperly at 5 renewals – $150;
    g. Policyholders rated improperly at 6 renewals – $175;
    h. Policyholders rated improperly at 7 renewals – $200;
    i. Policyholders rated improperly at 8 renewals – $225;
    j. Policyholders rated improperly at 9 renewals – $250; and
    k. Policyholders rated improperly at 10 or more renewals – $275.

[1] These insureds are identified in Final Findings 2, 6, 7, and 10.

3. CMIC will provide the Department with a data set for the policyholders identified above. This data set will specifically include:
    a. The date and refund amount for each policyholder identified in item 2 above;
    b. Whether the policyholder is active or inactive;
    c. The type of refund issued (i.e. check, premium credit, etc.); and
    d. The Department will provide the format of the data set during the compliance monitoring period.

4. No later than sixty days after the filing of this report, CPIC will provide the Department with a data set for the **53 total policyholders**[2] that were improperly rated for a bankruptcy and whose premium was adversely impacted. Specifically, CMIC will remediate policyholders utilizing the schedule amounts below:
    a. Policyholders rated improperly at new business – $50;
    b. Policyholders rated improperly at 1 renewal – $50;
    c. Policyholders rated improperly at 2 renewals – $75;
    d. Policyholders rated improperly at 3 renewals – $100;
    e. Policyholders rated improperly at 4 renewals – $125;
    f. Policyholders rated improperly at 5 renewals – $150;
    g. Policyholders rated improperly at 6 renewals – $175;
    h. Policyholders rated improperly at 7 renewals – $200;
    i. Policyholders rated improperly at 8 renewals – $225;
    j. Policyholders rated improperly at 9 renewals – $250; and
    k. Policyholders rated improperly at 10 or more renewals – $275.

5. CMIC will provide the Department with a data set for the policyholders identified above. This data set will specifically include:
    a. The date and refund amount for each policyholder identified in item 3 above;
    b. Whether the policyholder is active or inactive;
    c. The type of refund issued (i.e. check, premium credit, etc.); and
    d. The Department will provide the format of the data set during the compliance monitoring period.

6. The Companies will pay a civil monetary penalty negotiated separately in the forthcoming consent order.

[2] These policyholders are identified in Final Findings 3, 4, 5, 8, and 9.

7. The Companies will provide the Department with a specific timeline for the implementation of the above process.

8. The Companies will provide status updates to the Department every thirty (30) days, on an as needed basis, or at the Department's request, during the implementation and compliance monitoring period.

9. During the course of the implementation and compliance period, the Department may request additional documentation and/or supporting materials not specifically listed herein that demonstrate the Companies' progress with the CAP requirements above.

COUNTRY CASUALTY INSURANCE COMPANY FINDINGS

UNDERWRITING AND RATING

As previously discussed, Country Casualty Insurance Company ("CCIC") utilized two rating systems, Legacy and PPro, for PPA policies during the examination period. CCIC does not write HO policies in Arizona.

PPA - New Business that utilized the Legacy rating system

There were 46 new business policies that utilized CCIC's Legacy rating system during the examination period. After review of CCIC's response and supporting documentation, the examiners concluded that none of the 46 identified new business PPA policies included a bankruptcy or lien record during the examination period. Accordingly, there are no findings of A.R.S. § 20-2110(F) violations related to new business PPA policies under the CCIC Legacy rating system for this examination.

The following Underwriting and Rating Standard Passed:

#	Standard	Regulatory Authority
AZ2	F. An insurer shall not use the following types of credit history to calculate an insurance score to determine property or casualty premiums for insurance transactions that are subject to this article and shall not knowingly use an insurance score developed by a third party if the score is calculated using any of the following types of credit history: … 3. A bankruptcy or a lien satisfaction that is more than seven years old.	A.R.S. § 20-2110(F)(3) *See also* A.R.S. §§ 20-142, 20-156, 20-157, 20-158, 20-159, and 20-2114

PPA - New Business that utilized the PPro rating system

There were 227 new business policies that utilized CCIC's PPro rating system during the examination period. Of these 227 new business policies, there were 10 policies identified as having a bankruptcy or lien record at the inception date. After review of CCIC's response and supporting documentation, the examiners concluded that none of the 10 identified policies utilized bankruptcies older than 7 years (84 months) as of the policy inception date. Accordingly, there are no findings of A.R.S. § 20-2110(F) violations related to new business PPA policies under the CCIC PPro rating system for this examination.

The following Underwriting and Rating Standard Passed:

#	Standard	Regulatory Authority
AZ2	F. An insurer shall not use the following types of credit history to calculate an insurance score to determine property or casualty premiums for insurance transactions that are subject to this article and shall not knowingly use an insurance score developed	A.R.S. § 20-2110(F)(3)

	by a third party if the score is calculated using any of the following types of credit history: … 3. A bankruptcy or a lien satisfaction that is more than seven years old.	*See also* A.R.S. §§ 20-142, 20-156, 20-157, 20-158, 20-159, and 20-2114

PPA – Renewal Policies that utilized the Legacy rating system

There were 482 renewal business policies that utilized CCIC's Legacy rating system during the examination period. After review of CCIC's response and supporting documentation, the examiners concluded that none of the 482 identified renewal business PPA policies included a bankruptcy or lien record during the examination period. Accordingly, there are no findings of A.R.S. § 20-2110(F) violations related to new business PPA policies under the CCIC Legacy rating system for this examination.

The following Underwriting and Rating Standard Passed:

#	Standard	Regulatory Authority
AZ2	F. An insurer shall not use the following types of credit history to calculate an insurance score to determine property or casualty premiums for insurance transactions that are subject to this article and shall not knowingly use an insurance score developed by a third party if the score is calculated using any of the following types of credit history: … 3. A bankruptcy or a lien satisfaction that is more than seven years old.	A.R.S. § 20-2110(F)(3) *See also* A.R.S. §§ 20-142, 20-156, 20-157, 20-158, 20-159, and 20-2114

PPA – Renewal Business that utilized the PPro rating system

There were 753 renewal business policies that utilized CCIC's PPro rating system during the examination period. CCIC identified 22 policies where "the consumer was rated for having one or more bankruptcies." The examiners requested that CCIC obtain the bankruptcy date for the identified policies.

The examiners then compared the date of the bankruptcy and the renewal date to determine whether the date of bankruptcy was aged to more than 7 years old (84 months). Of the 22 policies, there were 7 renewal periods affecting 1 insured where the bankruptcy was aged to more than 7 years as of the policy renewal date.

CCIC provided an additional response after it reviewed the identified renewal periods and conducted a re-rate where the bankruptcy was removed. CCIC agreed that the bankruptcy was aged to more than 7 years and was utilized to calculate an insurance score for the identified renewal periods. CCIC also compared the rating tier and premium impact on the policyholder in its review and demonstrated that the premium was not adversely impacted by the inclusion of the aged bankruptcy. The Department acknowledges that the premium was not adversely impacted by the inclusion of the aged bankruptcy; however, because A.R.S. § 20-2110(F) explicitly limits the use of bankruptcy information to 7 years, and CCIC utilized the bankruptcy information past the permissible statutory timeframe, these violations remain.

Accordingly, there are 7 substantiated violations of A.R.S. § 20-2110(F)(3) related to this finding.

<u>The following Underwriting and Rating Standard Failed:</u>

#	Standard	Regulatory Authority
AZ2	F. An insurer shall not use the following types of credit history to calculate an insurance score to determine property or casualty premiums for insurance transactions that are subject to this article and shall not knowingly use an insurance score developed by a third party if the score is calculated using any of the following types of credit history: … 3. A bankruptcy or a lien satisfaction that is more than seven years old.	A.R.S. § 20-2110(F)(3) *See also* A.R.S. §§ 20-142, 20-156, 20-157, 20-158, 20-159, and 20-2114

Finding #1 – Bankruptcy PPro Rating of PPA Renewal

There was 1 insured, affecting 7 renewal periods, with an error rate of 0 percent, in which the bankruptcy date was aged to more than 7 years old.

Because A.R.S. § 20-2110(F) prohibits the use of bankruptcies that are aged more than 7 years, and this timeline begins on the date that the bankruptcy is adjudicated, CCIC's responses during the course of the examination demonstrated noncompliance with A.R.S. § 20-2110(F) which resulted in 7 violations in connection with this finding.

COUNTRY MUTUAL INSURANCE COMPANY FINDINGS

UNDERWRITING AND RATING

As previously discussed, during the examination period, Country Mutual Insurance Company ("CMIC") utilized two rating systems, Legacy and PPro, during the examination period.

PPA - New Business that utilized the Legacy rating system

There were 54 policies that utilized CMIC's Legacy rating system during the examination period. After review of CMIC's response and supporting documentation, the examiners concluded that none of the 54 identified new business PPA policies included a bankruptcy or lien record during the examination period.

Accordingly, there are no findings of A.R.S. § 20-2110(F) violations related to new business PPA policies under the CMIC Legacy rating system for this examination.

The following Underwriting and Rating Standard Passed:

#	Standard	Regulatory Authority
AZ2	F. An insurer shall not use the following types of credit history to calculate an insurance score to determine property or casualty premiums for insurance transactions that are subject to this article and shall not knowingly use an insurance score developed by a third party if the score is calculated using any of the following types of credit history: … 3. A bankruptcy or a lien satisfaction that is more than seven years old.	A.R.S. § 20-2110(F)(3) *See also* A.R.S. §§ 20-142, 20-156, 20-157, 20-158, 20-159, and 20-2114

PPA - New Business that utilized the PPro rating system

There were 1,011 policies that utilized CMIC's PPro rating system. Of these 1,011 new business policies, there were 45 policies identified as having a bankruptcy or lien record at the inception date. After review of CMIC's response and supporting documentation, the examiners concluded that none of the 45 identified policies utilized bankruptcies older than 7 years (84 months) as of the policy inception date. Accordingly, there are no findings of A.R.S. § 20-2110(F) violations related to new business PPA policies under the CCIC PPro rating system for this examination.

The following Underwriting and Rating Standard Passed:

#	Standard	Regulatory Authority
AZ2	F. An insurer shall not use the following types of credit history to calculate an insurance score to determine property or casualty premiums for insurance transactions that are subject to this	A.R.S. § 20-2110(F)(3)

	article and shall not knowingly use an insurance score developed by a third party if the score is calculated using any of the following types of credit history: … 3. A bankruptcy or a lien satisfaction that is more than seven years old.	*See also* A.R.S. §§ 20-142, 20-156, 20-157, 20-158, 20-159, and 20-2114

PPA – Renewal Business that utilized the Legacy rating system

There were 3,712 policies utilizing the Legacy rating system. CMIC identified 20 policies where "the consumer was rated for having one or more bankruptcies." The examiners requested that CMIC obtain the bankruptcy date for the identified policies.

The examiners then compared the date of the bankruptcy and the renewal date to determine whether the date of bankruptcy was aged to more than 7 years old (84 months). Of the 20 policies, there were 13 renewal periods affecting 2 insureds where the bankruptcy was aged to more than 7 years as of the policy renewal date.

CMIC agreed that the bankruptcy was aged to more than 7 years and was utilized to calculate an insurance score for the identified renewal periods. Because A.R.S. § 20-2110(F) explicitly limits the use of bankruptcy information to 7 years, and CMIC utilized the bankruptcy information past the permissible statutory timeframe, these 13 renewal periods constitute violations of A.R.S. § 20-2110(F).

Accordingly, there are 13 substantiated violations of A.R.S. § 20-2110(F)(3) related to this finding.

The following Underwriting and Rating Standard Failed:

#	Standard	Regulatory Authority
AZ2	F. An insurer shall not use the following types of credit history to calculate an insurance score to determine property or casualty premiums for insurance transactions that are subject to this article and shall not knowingly use an insurance score developed by a third party if the score is calculated using any of the following types of credit history: … 3. A bankruptcy or a lien satisfaction that is more than seven years old.	A.R.S. § 20-2110(F)(3) *See also* A.R.S. §§ 20-142, 20-156, 20-157, 20-158, 20-159, and 20-2114

Finding #1 – Bankruptcy Legacy Rating of PPA Renewal[3]

There were 2 insureds, affecting 13 renewal periods, with an error rate of 0 percent, in which the bankruptcy date was aged to more than 7 years old.

[3] This finding corresponds to Final Finding 6.

Because A.R.S. § 20-2110(F) prohibits the use of bankruptcies that are aged more than 7 years, and this timeline begins on the date that the bankruptcy is adjudicated, CMIC's responses during the course of the examination demonstrated noncompliance with A.R.S. § 20-2110(F) which resulted in 13 violations in connection with this finding.

Recommendation #1

Country Mutual Insurance Company should implement the Corrective Action Plan detailed in the Examination Report Summary.

<u>PPA – Renewal Business that utilized the PPro rating system</u>

There were 3,370 policies utilizing the PPro rating system during the examination period. CMIC identified 118 policies where "the consumer was rated for having one or more bankruptcies." The examiners requested that CMIC obtain the bankruptcy date for the identified policies.

The examiners compared the date of bankruptcy and the renewal date to determine whether the date of bankruptcy was older than 7 years (84 months). Of the 118 identified policies, there were 21 renewals that affected 8 insureds where the bankruptcy date was aged to more than 7 years (84 months) as of the policy renewal date.

CMIC agreed that a bankruptcy aged to more than 7 years (84 months) was utilized to calculate an insurance score that adversely affected the premiums for 18 renewal periods. However, CMIC disagreed with the remaining 3 renewal periods.

In its response, CMIC reviewed the 3 identified renewal periods and conducted a re-rate in which the bankruptcy was removed. CMIC agreed that the bankruptcy was aged to more than 7 years and was utilized to calculate an insurance score for the 3 identified renewal periods. CMIC also compared the rating tier and premium impact on the policyholder in its review and demonstrated that the premium was not adversely impacted by the inclusion of the bankruptcy. The Department acknowledges that the premium was not adversely impacted by the inclusion of the aged bankruptcy for these 3 renewal periods. However, because A.R.S. § 20-2110(F) explicitly limits the use of bankruptcy information to 7 years, and CMIC utilized the bankruptcy information past the permissible statutory timeframe, these 3 renewal periods constitute violations of A.R.S. § 20-2110(F).

Accordingly, there are 21 substantiated violations of A.R.S. § 20-2110(F)(3) related to this finding.

<u>The following Underwriting and Rating Standard Failed:</u>

#	Standard	Regulatory Authority
AZ2	F. An insurer shall not use the following types of credit history to calculate an insurance score to determine property or casualty premiums for insurance transactions that are subject to this article and shall not knowingly use an insurance score developed by a third party if the score is calculated using any of the following types of credit history: … 3. A bankruptcy or a lien satisfaction that is more than seven years old.	A.R.S. § 20-2110(F)(3) *See also* A.R.S. §§ 20-142, 20-156, 20-157, 20-158, 20-159, and 20-2114

Finding #2 – Bankruptcy PPro Rating of PPA Renewal[4]

There were 8 different insureds, affecting 21 renewal periods, with an error rate of 15 percent, in which the bankruptcy date was aged to more than 7 years old.

Because A.R.S. § 20-2110(F) prohibits the use of bankruptcies that are aged more than 7 years, and this timeline begins on the date that the bankruptcy is adjudicated, CMIC's responses during the course of the examination demonstrated noncompliance with A.R.S. § 20-2110(F) which resulted in 21 violations in connection with this finding.

Recommendation #2

Country Mutual Insurance Company should implement the Corrective Action Plan detailed in the Examination Report Summary.

<u>HO – New Business that utilized the Legacy rating system</u>

There were 5,472 policies utilizing the Legacy rating system during the examination period. CMIC identified 116 policies where "the consumer was rated for having one or more bankruptcies." The examiners requested that CMIC obtain the bankruptcy date for the identified policies.

The examiners compared the date of bankruptcy and the renewal date to determine whether the date of bankruptcy was older than 7 years (84 months). Of the 116 policies, there were 3 policies where the bankruptcy was aged to more than 7 years old as of the policy inception date.

CMIC agreed that an aged bankruptcy of more than 7 years (84 months) was utilized to calculate an insurance score that adversely affected the premiums for 2 policies. However, it disagreed with the remaining finding.

In its response, CMIC reviewed the policy and conducted a re-rate where the bankruptcy was removed. CMIC agreed that the bankruptcy was aged to more than 7 years and was utilized to calculate an insurance score. In its review, CMIC also compared the rating tier and premium

[4] This finding corresponds to Final Finding 2.

impact on the policyholder. It demonstrated that the premium was not adversely impacted by the inclusion of the aged bankruptcy in the calculation. The Department acknowledges that the premium was not adversely impacted by the inclusion of the bankruptcy for this policy. However, because A.R.S. § 20-2110(F) explicitly limits the use of bankruptcy information to 7 years, and CMIC utilized the bankruptcy information past the permissible statutory timeframe, these 3 policies constitute a violation of A.R.S. § 20-2110(F).

Accordingly, there are 3 substantiated violations of A.R.S. § 20-2110(F)(3) related to this finding.

The following Underwriting and Rating Standard Failed:

#	Standard	Regulatory Authority
AZ2	F. An insurer shall not use the following types of credit history to calculate an insurance score to determine property or casualty premiums for insurance transactions that are subject to this article and shall not knowingly use an insurance score developed by a third party if the score is calculated using any of the following types of credit history: … 3. A bankruptcy or a lien satisfaction that is more than seven years old.	A.R.S. § 20-2110(F)(3) *See also* A.R.S. §§ 20-142, 20-156, 20-157, 20-158, 20-159, and 20-2114

Finding #3 – Bankruptcy Legacy Rating of HO New Business[5]

There were 3 different insureds, with an error rate of 2 percent, in which the bankruptcy date was aged to more than 7 years old.

Because A.R.S. § 20-2110(F) prohibits the use of bankruptcies that are aged more than 7 years, and this timeline begins on the date that the bankruptcy is adjudicated, CMIC's responses during the course of the examination demonstrated noncompliance with A.R.S. § 20-2110(F) which resulted in 3 violations in connection with this finding.

Recommendation #3

Country Mutual Insurance Company should implement the Corrective Action Plan detailed in the Examination Report Summary.

[5] This finding corresponds to Final Finding 10.

HO – Renewal Business that utilized the Legacy rating system

There were 69,268 policies utilizing the Legacy rating system during the examination period. CMIC identified 294 policies where "the consumer was rated for having one or more bankruptcies." The examiners requested that CMIC obtain the bankruptcy date for the identified policies.

The examiners then compared the date of the bankruptcy and the renewal date to determine whether the date of bankruptcy was aged to more than 7 years old (84 months). Of the 294 policies, there were 146 renewal periods that affected 57 insureds where the bankruptcy was aged to more than 7 years (84 months) as of the policy renewal date. CMIC agreed that an aged bankruptcy of more than 7 years (84 months) was utilized to calculate an insurance score that adversely affected the premiums of 85 renewal periods. However, it disagreed with the remaining 61 renewal periods.

CMIC provided an additional response after it reviewed the identified renewal periods and conducted a re-rate where the bankruptcy was removed. CMIC agreed that the bankruptcy was aged to more than 7 years and was utilized to calculate an insurance score for the identified renewal periods. CMIC also compared the rating tier and premium impact on the policyholder in its review and demonstrated that the premium was not adversely impacted by the inclusion of the aged bankruptcy. The Department acknowledges that the premium was not adversely impacted by the inclusion of the aged bankruptcy. However, because A.R.S. § 20-2110(F) explicitly limits the use of bankruptcy information to 7 years, and CMIC utilized the bankruptcy information past the permissible statutory timeframe, these 61 renewal periods constitute violations of A.R.S. § 20-2110(F).

Accordingly, there are 146 substantiated violations of A.R.S. § 20-2110(F)(3) related to this finding.

The following Underwriting and Rating Standard Failed:

#	Standard	Regulatory Authority
AZ2	F. An insurer shall not use the following types of credit history to calculate an insurance score to determine property or casualty premiums for insurance transactions that are subject to this article and shall not knowingly use an insurance score developed by a third party if the score is calculated using any of the following types of credit history: … 3. A bankruptcy or a lien satisfaction that is more than seven years old.	A.R.S. § 20-2110(F)(3) *See also* A.R.S. §§ 20-142, 20-156, 20-157, 20-158, 20-159, and 20-2114

Finding #4 – Bankruptcy Legacy Rating of HO Renewal[6]

There were 57 different insureds, affecting 146 renewal periods, with an error rate of 29 percent, in which the bankruptcy date was aged to more than 7 years old.

[6] This finding corresponds to Final Finding 7.

Because A.R.S. § 20-2110(F) prohibits the use of bankruptcies that are aged more than 7 years, and this timeline begins on the date that the bankruptcy is adjudicated, CMIC's responses during the course of the examination demonstrated noncompliance with A.R.S. § 20-2110(F) which resulted in 146 violations in connection with this finding.

Recommendation #4

Country Mutual Insurance Company should implement the Corrective Action Plan detailed in the Examination Report Summary.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK

COUNTRY PREFERRED INSURANCE COMPANY FINDINGS

UNDERWRITING AND RATING

As previously discussed, Country Preferred Insurance Company ("CPIC") utilized two rating systems, Legacy and PPro, for PPA policies during the examination period.

PPA - New Business that utilized the Legacy rating system

There were 1,139 policies utilizing the Legacy rating system during the examination period. CPIC identified 8 policies where "the consumer was rated for having one or more bankruptcies." The examiners requested that CMIC obtain the bankruptcy date for the identified policies.

The examiners compared the date of bankruptcy and the renewal date to determine whether the date of bankruptcy was older than 7 years (84 months). Of the 8 identified policies, there were 4 policies where the bankruptcy was aged to more than 7 years old as of the policy inception date.

CPIC agreed that an aged bankruptcy of more than 7 years (84 months) was utilized to calculate an insurance score that adversely affected the premium for 3 policies. However, it disagreed with the remaining finding.

In its response, CMIC reviewed the policy and conducted a re-rate where the bankruptcy was removed. CMIC agreed that the bankruptcy was aged to more than 7 years and was utilized to calculate an insurance score. In its review, CMIC also compared the rating tier and premium impact on the policyholder. It demonstrated that the premium was not adversely impacted by the inclusion of the aged bankruptcy in the calculation. The Department acknowledges that the premium was not adversely impacted by the inclusion of the aged bankruptcy for this policy. However, because A.R.S. § 20-2110(F) explicitly limits the use of bankruptcy information to 7 years, and CMIC utilized the bankruptcy information past the permissible statutory timeframe, these 4 policies constitute a violation of A.R.S. § 20-2110(F).

Accordingly, there are 4 substantiated violations of A.R.S. § 20-2110(F)(3) related to this finding.

The following Underwriting and Rating Standard Failed:

#	Standard	Regulatory Authority
AZ2	F. An insurer shall not use the following types of credit history to calculate an insurance score to determine property or casualty premiums for insurance transactions that are subject to this article and shall not knowingly use an insurance score developed by a third party if the score is calculated using any of the following types of credit history: … 3. A bankruptcy or a lien satisfaction that is more than seven years old.	A.R.S. § 20-2110(F)(3) *See also* A.R.S. §§ 20-142, 20-156, 20-157, 20-158, 20-159, and 20-2114

Finding #5 – Bankruptcy Legacy Rating of PPA New Business

There were 4 different insureds, with an error rate of 38 percent, in which the bankruptcy date was aged to more than 7 years old.

Because A.R.S. § 20-2110(F) prohibits the use of bankruptcies that are aged more than 7 years, and this timeline begins on the date that the bankruptcy is adjudicated, CMIC's responses during the course of the examination demonstrated noncompliance with A.R.S. § 20-2110(F) which resulted in 4 violations in connection with this finding.

Recommendation #5

Country Preferred Insurance Company should implement the Corrective Action Plan detailed in the Examination Report Summary.

<u>PPA - New Business that utilized the PPro rating system</u>

There were 4,051 policies utilizing the PPro rating system. CPIC identified 77 new business policies where "the consumer was rated for having one or more bankruptcies." The examiners requested that CMIC obtain the bankruptcy date for the identified policies.

The examiners compared the date of bankruptcy and the renewal date to determine whether the date of bankruptcy was older than 7 years (84 months). Of the 77 policies new business policies, there were 6 policies identified as having a bankruptcy or lien record as of the policy inception date.

CPIC agreed that an aged bankruptcy of more than 7 years (84 months) was utilized to calculate an insurance score that adversely affected the premium for 3 policies. However, it disagreed with the remaining 3 violations.

CPIC provided an additional response after it reviewed the 3 identified new business policies and conducted a re-rate where the bankruptcy was removed. CPIC agreed that the bankruptcy was aged to more than 7 years and was utilized to calculate an insurance score for the identified renewal periods. CPIC also compared the rating tier and premium impact on the policyholder in its review and demonstrated that the premium was not adversely impacted by the inclusion of the aged bankruptcy. The Department acknowledges that the premium was not adversely impacted by the inclusion of the aged bankruptcy. However, because A.R.S. § 20-2110(F) explicitly limits the use of bankruptcy information to 7 years, and CPIC utilized the bankruptcy information past the permissible statutory timeframe, these 3 new business policies constitute violations of A.R.S. § 20-2110(F).

Accordingly, there are 6 substantiated violations of A.R.S. § 20-2110(F)(3) related to this finding.

The following Underwriting and Rating Standard Failed:

#	Standard	Regulatory Authority
AZ2	F. An insurer shall not use the following types of credit history to calculate an insurance score to determine property or casualty premiums for insurance transactions that are subject to this article and shall not knowingly use an insurance score developed by a third party if the score is calculated using any of the following types of credit history: … 3. A bankruptcy or a lien satisfaction that is more than seven years old.	A.R.S. § 20-2110(F)(3) *See also* A.R.S. §§ 20-142, 20-156, 20-157, 20-158, 20-159, and 20-2114

Finding #6 – Bankruptcy PPro Rating of PPA New Business[7]

There were 6 different insureds, with an error rate of 4 percent, in which the bankruptcy date was aged to more than 7 years old.

Because A.R.S. § 20-2110(F) prohibits the use of bankruptcies that are aged more than 7 years, and this timeline begins on the date that the bankruptcy is adjudicated, CPIC's responses during the course of the examination demonstrated noncompliance with A.R.S. § 20-2110(F) which resulted in 6 violations in connection with this finding.

Recommendation #6

Country Preferred Insurance Company should implement the Corrective Action Plan detailed in the Examination Report Summary.

PPA – Renewal that utilized the Legacy rating system

There were 82,708 renewal business policies utilizing the Legacy rating system during the examination period. CPIC identified 249 policies where "the consumer was rated for having one or more bankruptcies." The examiners requested that CMIC obtain the bankruptcy date for the identified policies.

The examiners then compared the date of the bankruptcy and the renewal date to determine whether the date of bankruptcy was aged to more than 7 years old (84 months). Of the 249 identified policies, there were 112 renewals that affected 31 insureds where the bankruptcy date was aged to more than 7 years as of the policy renewal date.

CPIC agreed that an aged bankruptcy of more than 7 years (84 months) was utilized to calculate an insurance score that adversely affected the premiums of 91 renewal periods. However, it disagreed with the remaining 21 renewal periods.

[7] This finding corresponds to Final Finding 4.

CPIC provided an additional response after it reviewed the 21 identified renewal periods and conducted a re-rate where the bankruptcy was removed. CPIC agreed that the bankruptcy was aged to more than 7 years and was utilized to calculate an insurance score for the identified renewal periods. CPIC also compared the rating tier and premium impact on the policyholder in its review and demonstrated that the premium was not adversely impacted by the inclusion of the aged bankruptcy. The Department acknowledges that the premium was not adversely impacted by the inclusion of the aged bankruptcy. However, because A.R.S. § 20-2110(F) explicitly limits the use of bankruptcy information to 7 years, and CPIC utilized the bankruptcy information past the permissible statutory timeframe, these renewal periods constitute violations of A.R.S. § 20-2110(F).

Accordingly, there are 112 substantiated violations of A.R.S. § 20-2110(F) related to this finding.

<u>The following Underwriting and Rating Standard Failed:</u>

#	Standard	Regulatory Authority
AZ2	F. An insurer shall not use the following types of credit history to calculate an insurance score to determine property or casualty premiums for insurance transactions that are subject to this article and shall not knowingly use an insurance score developed by a third party if the score is calculated using any of the following types of credit history: … 3. A bankruptcy or a lien satisfaction that is more than seven years old.	A.R.S. § 20-2110(F)(3) *See also* A.R.S. §§ 20-142, 20-156, 20-157, 20-158, 20-159, and 20-2114

Finding #7 – Bankruptcy Legacy Rating of PPA Renewal[8]

There were 31 different insureds, affecting 112 renewal periods, with an error rate of 37 percent, in which the bankruptcy date was aged to more than 7 years old.

Because A.R.S. § 20-2110(F) prohibits the use of bankruptcies that are aged more than 7 years, and this timeline begins on the date that the bankruptcy is adjudicated, CPIC's responses during the course of the examination demonstrated noncompliance with A.R.S. § 20-2110(F) which resulted in 6 violations in connection with this finding.

Recommendation #7

Country Preferred Insurance Company should implement the Corrective Action Plan detailed in the Examination Report Summary.

[8] This finding corresponds to Final Finding 9.

PPA – Renewal Business that utilized the PPro rating system

There were 15,495 policies utilizing the PPro rating system during the examination period. CPIC identified 380 policies where "the consumer was rated for having one or more bankruptcies." The examiners requested that CPIC obtain the bankruptcy date for the identified policies.

The examiners then compared the date of the bankruptcy and the renewal date to determine whether the date of bankruptcy was aged to more than 7 years old (84 months). Of the 380 policies, there were 131 renewal periods affecting 36 insureds where the bankruptcy was aged to more than 7 years as of the policy renewal date.

CPIC agreed that an aged bankruptcy of more than 7 years (84 months) was utilized to calculate an insurance score that adversely affected the premiums of 53 renewal periods. However, it disagreed with the remaining 78 renewal periods.

CPIC provided an additional response after it reviewed the 78 identified renewal periods and conducted a re-rate where the bankruptcy was removed. CPIC agreed that the bankruptcy was aged to more than 7 years and was utilized to calculate an insurance score for the identified renewal periods. CPIC also compared the rating tier and premium impact on the policyholder in its review and demonstrated that the premium was not adversely impacted by the inclusion of the aged bankruptcy. The Department acknowledges that the premium was not adversely impacted by the inclusion of the aged bankruptcy. However, because A.R.S. § 20-2110(F) explicitly limits the use of bankruptcy information to 7 years, and CPIC utilized the bankruptcy information past the permissible statutory timeframe, these 78 renewal periods constitute violations of A.R.S. § 20-2110(F).

Accordingly, there are 131 substantiated violations of A.R.S. § 20-2110(F) in connection with this finding.

The following Underwriting and Rating Standard Failed:

#	Standard	Regulatory Authority
AZ2	F. An insurer shall not use the following types of credit history to calculate an insurance score to determine property or casualty premiums for insurance transactions that are subject to this article and shall not knowingly use an insurance score developed by a third party if the score is calculated using any of the following types of credit history: … 3. A bankruptcy or a lien satisfaction that is more than seven years old.	A.R.S. § 20-2110(F)(3) *See also* A.R.S. §§ 20-142, 20-156, 20-157, 20-158, 20-159, and 20-2114

Finding #8 – Bankruptcy PPro Rating of PPA Renewal[9]

CPIC agreed that an aged bankruptcy of more than 7 years (84 months) was utilized to calculate an insurance score that adversely affected the premiums of 53 renewals for 18 policies. However, it disagreed with the remaining 78 findings.

[9] This finding corresponds to Final Finding 5.

There were 36 different insureds, affecting 131 renewal periods, with an error rate of 14 percent, in which the bankruptcy date was aged to more than 7 years old.

Because A.R.S. § 20-2110(F) prohibits the use of bankruptcies that are aged more than 7 years, and this timeline begins on the date that the bankruptcy is adjudicated, CPIC's responses during the course of the examination demonstrated noncompliance with A.R.S. § 20-2110(F) which resulted in 131 violations in connection with this finding.

Recommendation #8

Country Preferred Insurance Company should implement the Corrective Action Plan detailed in the Examination Report Summary.

HO – New Business that utilized the PPro rating system

There were 3,393 policies that utilized CPIC's PPro rating system during the examination period. Of these 3,393 new business policies, there were 72 identified as having a bankruptcy or lien at the policy inception date.

After review of CPIC's response and supporting documentation, the examiners concluded that none of the 72 identified policies utilized bankruptcies older than 7 years (84 months) as of the policy inception date. Accordingly, there are no findings of A.R.S. § 20-2110(F) violations related to new business HO policies under the CPIC PPro rating system for this examination.

The following Underwriting and Rating Standard Passed:

#	Standard	Regulatory Authority
AZ2	F. An insurer shall not use the following types of credit history to calculate an insurance score to determine property or casualty premiums for insurance transactions that are subject to this article and shall not knowingly use an insurance score developed by a third party if the score is calculated using any of the following types of credit history: … 3. A bankruptcy or a lien satisfaction that is more than seven years old.	A.R.S. § 20-2110(F)(3) *See also* A.R.S. §§ 20-142, 20-156, 20-157, 20-158, 20-159, and 20-2114

HO – Renewal Business that utilized the PPro rating system

There were 1,673 renewal business policies utilizing the PPro rating system during the examination period. CPIC identified 38 policies where "the consumer was rated for having one or more bankruptcies." The examiners requested that CCIC obtain the bankruptcy date for the identified policies.

The examiners then compared the date of the bankruptcy and the renewal date to determine whether the date of bankruptcy was aged to more than 7 years old (84 months). Of the

38 policies, there were 7 renewal periods affecting 1 insured where the bankruptcy was aged to more than 7 years as of the policy renewal date.

CPIC agreed that an aged bankruptcy of more than 7 years (84 months) was utilized to calculate an insurance score adversely affecting the premiums for the 8 renewal periods.

Accordingly, there are 8 substantiated violations of A.R.S. § 20-2110(F) in connection with this finding.

<u>The following Underwriting and Rating Standard Failed:</u>

#	Standard	Regulatory Authority
AZ2	F. An insurer shall not use the following types of credit history to calculate an insurance score to determine property or casualty premiums for insurance transactions that are subject to this article and shall not knowingly use an insurance score developed by a third party if the score is calculated using any of the following types of credit history: … 3. A bankruptcy or a lien satisfaction that is more than seven years old.	A.R.S. § 20-2110(F)(3) *See also* A.R.S. §§ 20-142, 20-156, 20-157, 20-158, 20-159, and 20-2114

Finding #9 – Bankruptcy PPro Rating of HO Renewal[10]

There were 4 different insureds, affecting 8 renewal periods, with an error rate of 21 percent, in which the bankruptcy date was aged to more than 7 years old.

Because A.R.S. § 20-2110(F) prohibits the use of bankruptcies that are aged more than 7 years, and this timeline begins on the date that the bankruptcy is adjudicated, CPIC's responses during the course of the examination demonstrated noncompliance with A.R.S. § 20-2110(F) which resulted in 8 violations in connection with this finding.

Recommendation #9

Country Preferred Insurance Company should implement the Corrective Action Plan detailed in the Examination Report Summary.

[10] This finding corresponds to Final Finding 3.

SUMMARY OF STANDARDS

#	Standard	Regulatory Authority	Pass	Fail
CH20F 2	Disclosures to insureds concerning rates and coverage are accurate and timely.	A.R.S. §§ 20-259.01, 20-262, 20-263, 20-264, 20-266, 20-267, 20-2110	X	
CH20F 4	The Companies' underwriting practices are not unfairly discriminatory. The Companies adhere to applicable statutes, rules, and regulations in its application of mass marketing plans.	A.R.S. § 20-448	X	
CH21F 2	Schedule rating or individual risk premium modification plans, where permitted, are based on objective criteria with usage supported by appropriate documentation.	A.R.S. § 20-448	X	
AZ1	All mandated disclosures are documented and in accordance with applicable statutes, rules, and regulations, including, but not limited to, the Notice of Insurance Information Practices and the Authorization for Release of Information.	A.R.S. §§ 20-2104, 20-2106, 20-2110 and 20-2113	X	
AZ2	F. An insurer shall not use the following types of credit history to calculate an insurance score to determine property or casualty premiums for insurance transactions that are subject to this article and shall not knowingly use an insurance score developed by a third party if the score is calculated using any of the following types of credit history: … 3. A bankruptcy or a lien satisfaction that is more than seven years old.	A.R.S. § 20-2110(F)(3) See also A.R.S. §§ 20-142, 20-156, 20-157, 20-158, 20-159, and 20-2114		X