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Attorneys for The California Department of Insurance

BEFORE THE INSURANCE COMMISSIONER

OF THE STATE OF CALIFORNIA

In the Matter of Licensing and Licensing Rights of

Access Insurance Company, dba as Access General Insurance Company, and Access General Insurance Adjusters, LLC,

Respondents.

AND

In the Matter of the Rates, Rating Plans, or Rating Systems of

Access Insurance Company dba Access General Insurance Company and Access General Insurance Agency Of California, Inc.,

Respondents.

File Nos. NC-2013-00018
DISP-2016-00825

ORDER TO SHOW CAUSE, NOTICE OF HEARING AND STATEMENT OF CHARGES, PURSUANT TO CALIFORNIA INSURANCE CODE SECTIONS 790.03, 790.035 and 790.05.

ACCUSATION PURSUANT TO CALIFORNIA INSURANCE CODE SECTION 704

FIRST AMENDED NOTICE OF NONCOMPLIANCE PURUSANT TO CALIFORNIA INSURANCE CODE SECTION 1858 et seq.

RELIEF REQUESTED: SUSPENSION OF CERTIFICATE AND MONETARY PENALTIES
(Ins. Code §§ 704, 790.03, 790.035, 790.05)

TO: ACCESS INSURANCE COMPANY DBA ACCESS GENERAL INSURANCE COMPANY, ACCESS GENERAL INSURANCE AGENCY OF CALIFORNIA, INC., and ACCESS GENERAL INSURANCE ADJUSTERS, LLC.:

1.

INTRODUCTION AND PRELIMINARY ALLEGATIONS

THE CALIFORNIA DEPARTMENT OF INSURANCE ("DEPARTMENT") NOTIFIES YOU OF THE BELOW ORDER TO SHOW CAUSE ("OSC"), ACCUSATION, AND NOTICE OF NONCOMPLIANCE ("NNC").

In addition to the allegations contained in the OSC, Accusation, and NNC, the Department makes the following general allegations in support of the OSC, Accusation, and NNC:

1. Access Insurance Company dba Access General Insurance Company ("Insurer") is and was at all relevant times, an insurer licensed to transact automobile and liability insurance in California.

2. Access General Insurance Adjusters LLC ("Adjuster") is and was at all relevant times, a licensed insurance adjuster in the State of California.

3. Access General Insurance Agency of California, Inc. ("Agency") is and was at all relevant times, the agent of Insurer, to which Insurer delegated some or all of its duties and responsibilities in rating and underwriting Insurer's policies in California.

The OSC and Accusation are hereby filed against Respondents Insurer and Adjuster. The NNC is filed against Respondents Insurer and Agency.

2.

ORDER TO SHOW CAUSE

YOU ARE FURTHER NOTIFIED that the Insurance Commissioner of the State of California ("Commissioner") has good cause to believe that the claims settlement practices of Insurer and/or Adjuster have engaged in unfair methods of competition and unfair and deceptive acts or practices; and that these acts or practices were knowingly committed or performed with such frequency as to indicate a general business practice, in violation of California Insurance

Code ("CIC") section 790 *et seq*. and the Fair Claims Settlement Regulations of Title 10, Chapter 5, California Code of Regulations ("CCR"), as set forth in the Statement of Charges/Accusation contained herein; and the Commissioner has reason to believe that a proceeding with respect to the alleged acts of Insurer and/or Adjuster would be in the public interest.

3.

NOTICE OF HEARING

THEREFORE, and pursuant to the provisions of CIC §790.05, Insurer and Adjuster are ordered to appear at the time, date and location to be determined by the Office of Administrative Hearings, and show cause, if any cause there be, why the Commissioner should not issue an Order requiring Insurer and Adjuster to Cease and Desist from engaging in methods, acts, and practices, set forth in the Statement of Charges/Accusation contained in paragraph 3 and following, and imposing the penalties set forth in CIC section 790.035 of the Insurance Code and other Insurance Code sections as requested herein. Further, Insurer and Adjuster are hereby ordered to show why the Commissioner should not exercise his authority pursuant to section 704 of the California Insurance Code to suspend Insurer's Certificate of Authority for a time not exceeding one year upon finding that Insurer and/or Adjuster have engaged in and are engaged in acts or practices in violation of CIC section 704(b).

4.

STATEMENT OF CHARGES

4. The violations alleged in paragraphs 6 through 32 were discovered as the result of the Department's investigation of, among other things, numerous consumer complaints received during the period January 1, 2015 through August 1, 2016. The violations alleged in paragraphs 37 through 53 correspond to the Department's targeted examination of the claims practices of Insurer and/or Adjuster. This examination covered the claims handling practices on Personal Automobile third party liability claims paid during the period from January 2016 - August 2016 and closed without payment from January 2013 - December 2016; and third party claims pending as of December 31, 2016.

5. As specified below, the statutory and regulatory violations alleged resulting from consumer complaints include, but are not limited to:

Allegation No. 1: Misrepresentation of pertinent facts to claimants

6. As detailed in Exhibit 1, on at least 2 occasions, Insurer and/or Adjuster made misrepresentations of pertinent facts on insurance policy provisions to claimants relating to their coverages. These acts and/or omissions violate CIC §790.03(h)(1).

Allegation No. 2: Failure to acknowledge and act reasonably promptly

7. As detailed in Exhibit 1, on at least 1 occasion, Insurer and/or Adjuster failed to acknowledge and act reasonably promptly on communications with respect to claims arising under an insurance policy. These acts and/or omissions violate CIC §790.03(h)(2).

Allegation No. 3: Failure to adopt and implement reasonable standards

8. As detailed in Exhibit 1, on at least 40 occasions, Insurer and/or Adjuster failed to adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. These acts and/or omissions violate CIC §790.03(h)(3).

Allegation No. 4: Failure to settle when liability has become reasonably clear

9. As detailed in Exhibit 1, on at least 4 occasions, Insurer and/or Adjuster failed to effectuate prompt, fair and equitable settlements of claims in which liability had become reasonably clear. These acts and/or omissions violate CIC §790.03(h)(5).

Allegation No. 5: Failure conduct business in its own name

10. As detailed in Exhibit 1, on at least 3 occasion Insurer and/or Adjuster failed to conduct business in its own name. These acts and/or omissions violate CIC §880.

Allegation No. 6: Failure to act on obligation regarding child passenger restraint system

11. As detailed in Exhibit 1, on at least 34 occasions, Insurer and/or Adjuster failed to ask the claimant, upon the filing of a claim, whether a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of the accident and/or failed in its obligation to replace the child passenger restraint system or reimburse the claimant

for the cost of purchasing a new passenger restraint system. These acts and/or omissions violate CIC §790.03(h)(3) and CIC §11580.011(e).

Allegation No. 7: Breach of obligations regarding principally at fault determination

12. As detailed in Exhibit 1, on at least 4 occasions, Insurer and/or Adjuster failed to make a determination that a driver was principally at-fault for an accident, other than an indisputably solo vehicle accident and which is not of the type specified in CCR § 2695.7, subpart (d), unless the insurer first does the following: (1) the insurer shall make an investigation of the accident; (2) the insurer shall provide written notice to the insured of the result of such investigation, including any determination that the insured was principally at fault. The notice shall specify the basis of any determination that a driver was principally at fault. The notice shall advise the insured of the right to reconsideration of the determination of fault, as set forth for in Subsection (e)(3); (3) Within 30 days of receipt by the insured of a written notice required by Subsection (e)(2), the insured may request reconsideration of the insurer's determination that the insured was principally at-fault. The insurer shall provide written notice of its decision upon reconsideration within 30 days of the insured's request therefor and the notice shall state the reasons for its decision upon reconsideration. The reconsideration shall be made by an employee or agent of the insurer other than the employee or agent who made the determination being reconsidered. The right to reconsideration set forth herein shall not affect any other rights of the insured. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2632.13(e)(1).

Allegation No. 8: Failure to maintain all documents

13. As detailed in Exhibit 1, on at least 5 occasions, Insurer and/or Adjuster failed to maintain all documents, notes and work papers which reasonably pertain to each claim in such detail that pertinent events and the dates of the events can be reconstructed. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.3(a).

Allegation No. 9: Failure to advise of benefits

14. As detailed in Exhibit 1, on at least 4 occasions Insurer and/or Adjuster failed to immediately advise the insured when additional benefits under the policy might be payable with

additional proofs of claim and assist the insured in determining the extent of the insurer's additional liability. These acts and/or omissions violate CIC §790.03(h)(1) and CCR §2695.4(a).

Allegation No. 10: Failure to respond timely to Department of Insurance

15. As detailed in Exhibit 1, on at least 29 occasions Insurer and/or Adjuster failed to respond within twenty-one (21) days to written or oral inquiries from the Department. A complete response addresses all issues raised by the Department in its inquiry and includes copies of any documentation and claim files requested. These acts and/or omissions violate CIC §790.03(h)(2) and CCR §2695.5(a).

Allegation No. 11: Failure to respond timely to the claimant

16. As detailed in Exhibit 1, on at least 93 occasions Insurer and/or Adjuster failed to respond to communications from claimants within 15 calendar days from the date of the receipt of claim. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.5(b).

Allegation No. 12: Failure to acknowledge timely the notice of claim

17. As detailed in Exhibit 1, on at least 6 occasions Insurer and/or Adjuster failed to the acknowledge notice of claim within 15 calendar days from the date of the receipt of claim. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.5(e)(1).

Allegation No. 13: Failure to provide forms, instructions and reasonable assistance

18. As detailed in Exhibit 1, on at least 10 occasions Insurer and/or Adjuster failed to provide necessary forms, instructions, and reasonable assistance within 15 calendar days from the date of the receipt of claim. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.5(e)(2).

Allegation No. 14: Failure to begin a timely investigation

19. As detailed in Exhibit 1 on at least 11 occasions Insurer and/or Adjuster failed to begin investigation of the claim within 15 calendar days from the date of receipt of claim. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.5(e)(3).

Allegation No. 15: Failure to timely accept or deny the claim

20. As detailed in Exhibit 1 on at least 64 occasions Insurer and/or Adjuster, failed to accept or deny the claim within 40 calendar days of receiving proof of claim. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.7(b).

Allegation No. 16: Failure to deny claim in writing

21. As detailed in Exhibit 1 on at least 8 occasions Insurer and/or Adjuster failed to provide a denial of the claim in writing. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.7(b)(1).

Allegation No. 17: Failure to advise that Department of Insurance can review denial

22. As detailed in Exhibit 1 on at least 1 occasion Insurer and/or Adjuster failed to include a statement in its claim denial that, if the claimant believes the claim was wrongfully denied or rejected, he or she may have the matter reviewed by the Department. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.7(b)(3).

Allegation No. 18: Failure to provide timely notice of need for additional time or information

23. As detailed in Exhibit 1 on at least 257 occasions Insurer and/or Adjuster failed to provide written notice of the need for additional time or information every 30 calendar days. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.7(c)(1).

Allegation No. 19: Failure to pursue thorough, fair and objective investigation

24. As detailed in Exhibit 1 on at least 33 occasions Insurer and/or Adjuster failed to conduct and diligently pursue a thorough, fair and objective claim investigation. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.7(d).

Allegation No. 20: Failure to provide written notice of statute of limitations

25. As detailed in Exhibit 1 on at least 27 occasions Insurer and/or Adjuster failed to provide written notice of any statute of limitation or other time period requirement upon which the insurer may rely to deny a claim. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.7(f).

Allegation No.21: Failure to tender timely payment

26. As detailed in Exhibit 1 on at least 23 occasions Insurer and/or Adjuster failed,

upon acceptance of the claim, to tender payment within 30 calendar days. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.7(h).

Allegation No. 22: Failure to include license and other fees in settlement

27. As detailed in Exhibit 1 on at least 5 occasions Insurer and/or Adjuster failed to include in the settlement, the license fee and other annual fees computed based upon the remaining term of the current automobile registration. These acts and/or omissions violate CIC §790.03(h)(5) and CCR §2695.8(b)(1).

Allegation No. 23: Failure to meet obligations regarding comparable automobile

28. As detailed in Exhibit 1 on at least 2 occasions Insurer and/or Adjuster failed to meet its obligation to conduct an analysis to establish that a comparable automobile was available for retail purchase by the general public in the local market area within 90 days of the final settlement offer. Further, Insurer and Adjuster failed to meet its obligation to conduct an analysis to establish the actual cost for a comparable vehicle that does not include any deduction for the condition of a loss vehicle unless the documented condition of the loss vehicle is below average for that particular year, make and model of vehicle. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.8(b)(2).

Allegation No. 24: Failure to meet its obligations regarding estimates in automotive repair

29. As detailed in Exhibit 1 on at least 1 occasion Insurer and/or Adjuster failed to meet its obligation in providing an estimate that is of an amount that will allow for repairs to be made in accordance with accepted trade standards for good and workmanlike automotive repairs by an "auto body repair shop" as defined in section 9889.51 of the Business and Professions Code. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.8(f).

Allegation No. 25: Failure to supply estimate upon which settlement was based

30. As detailed in Exhibit 1 on at least 1 occasion Insurer and/or Adjuster failed to supply the claimant with a copy of the estimate upon which the settlement was based. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.8(f).

Allegation No. 26: Failure to reasonably adjust written estimate by repair shop

31. As detailed in Exhibit 1 on at least 2 occasions Insurer and/or Adjuster failed to reasonably adjust any written estimates prepared by the repair shop of the claimant's choice if the claimant contends, based upon a written estimate he or she obtains, that necessary repairs will exceed the written estimate prepared by or for the insurer. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.8(f)(3).

Allegation No. 27: Subjecting claim to betterment and depreciation without policy language

32. As detailed in Exhibit 1 on at least 2 occasions Insurer and/or Adjuster, in a first party partial loss claim, when the expense of labor necessary to repair or replace the damage is not subject to depreciation or betterment unless the insurance contract contains a clear and unambiguous provision permitting the depreciation of the expense of labor, did subject the claim to depreciation or betterment. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.8(j).

33. Under the authority granted in Part 2, Chapter 1, Article 4, Sections 730, 733, and 736, and Article 6.5, Section 790.04 of the California Insurance Code; and Title 10, Chapter 5, Subchapter 7.5, Section 2695.3(a) of the California Code of Regulations, a targeted examination (the "Claims Exam") was made of the claim handling practices and procedures in California of Insurer and Adjuster on Personal Automobile third party liability claims paid during the period from January 2016-August 2016 and closed without payment from January 2013- December 2016; and third party claims pending as of December 31, 2016.

34. The Claims Exam was conducted to determine, in general, if these and other operating procedures of Insurer and Adjuster conform to the contractual obligations in the Insurer policy forms, the California Insurance Code, the California Code of Regulations, and case law. The Claims Exam included: 1. A review of the guidelines, procedures, training plans and forms adopted by Insurer and Adjuster for use in California including any documentation maintained by Insurer and Adjuster in support of positions or interpretations of the California Insurance Code, Fair Claims Settlement Practices Regulations, and other related statutes, regulations and case law

used by Insurer and Adjuster to ensure fair claims settlement practices. 2. A review of the application of such guidelines, procedures, and forms, by examining a sample of individual claim files and related records. 3. A review of the Department's market analysis results; and 4. a review of consumer complaints and inquiries about the Insurer closed by the Department during the period January 1, 2016 through December 31, 2016; 5. a review of previous Department market conduct claims examination reports on the Insurer; and 6. a review of prior Department enforcement actions involving the Insurer.

35. A total of 144,844 of review period claims were reviewed during the Claims Exam. The Claims Exam was based upon a sample of 283 files and resulted in a finding of 716 alleged violations.

36. As specified below, the statutory and regulatory violations alleged as a result of the Claims Exam include:

Allegation No. 28: Failure to provide written notice of the need for additional time or information every 30 calendar days

37. As detailed in Exhibit 2 (the June 21, 2017 Exam Report), on 219 occasions, Insurer and/or Adjuster received subrogation demands, requests and follow-ups for settlement, and/or demands for payment from adverse claimant carriers, and Insurer and/or Adjuster failed to provide written notices of the need for additional time, and/or regular status updates of the claim within regulatory timelines. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.7(c)(1).

Allegation No. 29: Failure to respond to communications within 15 calendar days

38. As detailed in Exhibit 2, on 170 occasions, Insurer and/or Adjuster did not respond to contact requests, communications, and correspondence including demands for reimbursement and follow-up inquiries for settlement and/or status. In the remaining 18 occasions, Insurer and/or Adjuster delayed its responses beyond the regulatory timelines. These acts and/or omissions violate CIC §790.03(h)(2) and CCR §2695.5(b).

Allegation No. 30: Failure to adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies.

39. As detailed in Exhibit 2, on 131 occasions, Insurer and/or Adjuster failed to adopt and implement reasonable standards for the prompt investigation and processing of claims. These deficiencies included the following:

a) Insurer and/or Adjuster failed to adequately provide for a system of maintaining and/or keeping "open" its property damage claims to reflect its claim financial exposure. In addition, Insurer and/or Adjuster's methodology of "opening and closing reserves" is conducted as a processing tool only and fails to recognize and establish the potential of liability of the Insurer to settle third party claims.

b) Insurer and/or Adjuster prematurely closed claims without complying with supervisory instructions to complete the investigation. The directives include the transmittal of Reservation of Rights notices to non-cooperative insureds.

c) The examination revealed wide gaps in significant claim activity resulting in Insurer and/or Adjuster's failure to expedite the timely resolution of claims.

d) Insurer and/or Adjuster does not have a consistent diary system in place to keep liability claims in active status to facilitate for prompt processing and monitoring of claims.

These acts and/or omissions violate CIC §790.03(h)(3).

Allegation No. 31: Failure to accept or deny the claim within 40 calendar days

40. As detailed in Exhibit 2, on 64 occasions, Insurer and/or Adjuster failed, upon receiving proof of claim, to accept or deny the claim within 40 calendar days. On 56 occasions, Insurer and/or Adjuster did not accept or deny the claim upon receipt of proof of loss. On the remaining eight occasions, Insurer and/or Adjuster delayed accepting or denying the claim outside of regulatory timelines. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.7(b).

Allegation No. 32: Recommended a third party claimant make a claim under his or her own policy so as to avoid having to pay the claim

41. As detailed in Exhibit 2, on 31 occasions, Insurer and/or Adjuster recommended that a third party claimant make a claim under his or her own policy to avoid paying the claim. At the onset of the claim, Insurer and/or Adjuster transmitted its "CORM-Mitigation Letter" to claimants strongly suggesting to the claimant that he/she files a claim with their own insurance carrier. Insurer and/or Adjuster failed to recognize its potential and/or clear liability on these pertinent claims. These acts and/or omissions violate CIC §790.03(h)(5) and CCR §2695.8(d).

Allegation No. 33: Failure to tender payment within 30 days

42. As detailed in Exhibit 2, on 22 occasions, Insurer and/or Adjuster failed, upon acceptance of the claim, to tender payment within 30 calendar days. Insurer and/or Adjuster failed to pay promptly on claims with undisputed liability determination. These included claims with signed releases and claims with adverse intercompany arbitration awards against Insurer and/or Adjuster. These acts and/or omissions violate CIC §790.03(h)(5) and CCR §2695.7(h).

Allegation No. 34: Failure to advise that the driver of the insured vehicle was principally at fault

43. As detailed in Exhibit 2, on 20 occasions, Insurer and/or Adjuster failed to properly advise the insured that the driver of the insured vehicle was principally at-fault for an accident. These occasions involved the failure to send the determination of fault notices to the insureds. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2632.13(e)(1).

Allegation No. 35: Failure to pursue a thorough, fair and objective investigation

44. As detailed in Exhibit 2, on 16 occasions, Insurer and/or Adjuster failed to conduct and diligently pursue a thorough, fair and objective claims investigation. Insurer and/or Adjuster did not complete a full claims investigation to determine the extent of its liability and exposure on third party claims. Insurer and/or Adjuster closed claims without a final determination of liability, and closure activities did not reflect appropriate management oversight. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.7(d).

Allegation No. 36: Failure to maintain documents

45. As detailed in Exhibit 2, on 11 occasions, Insurer and/or Adjuster failed to maintain all documents, notes and work papers which reasonably pertain to each claim in such detail that pertinent events and the dates of the events can be reconstructed. Insurer and/or Adjuster's claim files did not contain all pertinent claim documentation. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.3(a).

Allegation No. 37: Failure to act on obligation regarding child passenger restraint system

46. As detailed in Exhibit 2, on 10 occasions, Insurer and/or Adjuster failed to ask if a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of a loss that was covered by the policy, and failed to reimburse the claimant for the cost of purchasing a new child passenger restraint system. On eight occasions, Insurer and/or Adjuster failed to ask if a child passenger restraint system was in the vehicle at the time of a loss. On two occasions, Insurer and/or Adjuster failed to reimburse the cost of purchasing a car seat and/or booster seat which were in the vehicle at the time of a covered loss. These acts and/or omissions violate CIC §790.03(h)(5) and CIC §11580.011(e).

Allegation No. 38: Misrepresentation of pertinent facts to claimants

47. As detailed in Exhibit 2, on nine occasions, Insurer and/or Adjuster misrepresented to claimants pertinent facts or insurance policy provisions relating to coverages at issue. On five occasions, correspondence (template letter ACAACKNLMD) to the claimant misrepresents Insurer and/or Adjuster's obligation to pay loss of use or for body shop delays where the insured is liable. On two occasions, the claimant was incorrectly advised of non-cooperation. In one instance, correspondence was sent to the wrong party. In one instance, coverage was incorrectly denied to the claimant's insurer. These acts and/or omissions violate CIC §790.03(h)(1).

Allegation No. 39: Failure to supply claimant with copy of estimate

48. As detailed in Exhibit 2, on four occasions, Insurer and/or Adjuster failed to supply the claimant with a copy of the estimate upon which the settlement was based. These acts and/or omissions violate CIC §790.03(h)(3) and of CCR §2695.8(f).

Allegation No. 40: Failed to deny, dispute or reject a third party claim in writing

49. As detailed in Exhibit 2, on three occasions Insurer and/or Adjuster failed to deny, dispute or reject a third party claim, in whole or in part, in writing. Insurer and/or Adjuster did not send the denial letters. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.7(b)(1).

Allegation No. 41: Attempting to settle by making a settlement offer that was unreasonably low

50. As detailed in Exhibit 2, on three occasions, Insurer and/or Adjuster attempted to settle a claim by making a settlement offer that was unreasonably low. Insurer and/or Adjuster paid the wrong settlement amounts, or reduced the value of third party claims resulting in unreasonably low settlements. These acts and/or omissions violate CIC §790.03(h)(5) and CCR §2695.7(g).

Allegation No. 42: Failure to provide reasonable notice before terminating payment for storage charges

51. As detailed in Exhibit 2, on one occasion, Insurer and/or Adjuster failed to provide reasonable notice to a claimant before terminating payment for storage charges. These acts and/or omissions violate CIC §790.03(h)(5) and CCR §2695.8(k).

Allegation No. 43: Failure to begin investigation within 15 calendar days

52. As detailed in Exhibit 2, on one occasion, Insurer and/or Adjuster failed to begin investigation of the claim within 15 calendar days of the notice of claim. These acts and/or omissions violate CIC §790.03(h)(3) and CCR §2695.5(e)(3).

Allegation No. 44: Insurer and/or Adjuster failed to adopt and implement reasonable standards for the prompt investigation and processing of claims by blocking or limiting lines of communications for claimants and others

53. As detailed in Exhibit 2, the Exam generally concluded that Insurer and/or Adjuster failed to adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. Specifically, Insurer and/or Adjuster instituted a policy and procedure to block external communications by telephone, and/or limit the ways for claimants and other interested parties to present notice of claims via oral notification. Insurer

and/or Adjuster has a recording on its system advising the caller that "we cannot take your call at this time." Insurer and/or Adjuster provided instructions for notice of claims through its fax system or email address at "claimsir@access.com". Insurer and/or Adjuster reported to the Department that effective September 15, 2016, it did not allowed certain insurance companies to access its telephone line of "770-234-3666." Insurer and/or Adjuster submitted to the Department a list of telephone numbers that are automatically "blocked" so there is no option and/or opportunity to speak "live" with Insurer and/or Adjuster's representatives or adjusters. The calls from these identified phone lines were automatically redirected by Insurer and/or Adjuster's telephone system to its "Automated Attendant". Insurer and/or Adjuster indicated that there was approximately 23,400 calls per month from the specific insurance companies/claimant carriers that were not permitted to access its principal claims telephone number. Insurer and/or Adjuster failed to provide any explanation for its inability to handle calls for its book of business, and/or have sufficient personnel to take calls from claimant carriers and other parties attempting to present notice of claims to Insurer and/or Adjuster. Insurer and/or Adjuster was unable to explain the "extraordinary circumstances" outside its control that severely or materially affected its ability to carry out normal business operations, including taking phone calls to conduct its normal course of daily activities. These acts and/or omissions violate CIC §790.03(h)(3).

5.

ACCUSATION

54. The factual allegations regarding the conduct of Insurer and Adjuster as stated in the Statement of Charges, paragraphs 6-32 and 37-53 are more fully detailed in attached Exhibits 1 and 2 and incorporated herein by reference.

55. These facts establish that Insurer and/or Adjuster are not carrying out contracts in good faith and support a suspension of Insurer's Certificate of Authority under CIC §704 (b).

6.

ALLEGED VIOLATIONS OF INSURANCE CONSUMERS PROTECTION LAWS

56. In 1959, the California legislature enacted the Unfair Practices Act ("UPA"), CIC section 790.03 et seq. A primary objective of UPA is to protect consumers from slow or delayed

claims processing or settlement by insurers. A slow or delayed claim processing or settlement may lead a myriad of harm to consumers such as forcing them to operate unsafe vehicles on roadways, forcing them to litigate to recover amounts due under the policy, or wearing them down to the point that they accept less than reasonable settlement amount. To achieve UPA's objectives, the Commissioner set forth certain minimum standards for the handling or settlement of claims by promulgating a set of regulations known as the Fair Claims Settlement Practices Regulations, 10 CCR § 2695.1 et seq. Any violation of these minimum standards is, by definition, an unfair settlement practice and a violation of insurance consumer protection laws. Insurer and/or Adjuster's numerous and repeated violations of UPA and the Fair Claims Settlement Practice Regulations as alleged in preceding paragraphs demonstrate a general business practice that is unfair within the meaning of UPA and Fair Claims Settlement Practices Regulations and thus harmful to California consumers.

7.

MATTERS IN AGGRAVATION

57. In or about September of 2014, the Department filed an Amended Order to Show Cause (File No. UPA-2013-00010) alleging that Insurer and Adjuster engaged, in or were engaging in, unfair methods of competition or unfair or deceptive acts or practices in addition to other unlawful acts. Said acts were the same, or substantially similar to, as the unfair or deceptive/unlawful acts alleged herein. A copy of the 2014 Amended Order to Show Cause is attached hereto as Exhibit No. 3 and incorporated herein by reference.

58. In or about September of 2014, the Department Insurer and Adjuster entered into a Stipulation and Waiver whereby Insurer and Adjuster each agreed to pay and did pay a penalty of $25,000 (for a combined penalty of $50,000) in settlement of the allegations in the Amended Order to Show Cause. Additionally, Adjuster agreed to pay and did pay an additional $50,000 in costs incurred by the Department in investigating and prosecuting the matter. A copy of each Stipulation and Waiver is attached hereto as Exhibits 4 & 5 and incorporated herein by reference.

59. The facts alleged in paragraphs 6-32 and 37-56 demonstrate that Insurer and/or Adjuster continued to engage in unfair methods of competition or unfair or deceptive acts or

practices that are the same or substantially similar to the violations alleged against them by the Department in 2014. The continuing non-compliance establishes that Insurer and/or Adjuster willfully engaged in unfair or deceptive acts or practices defined in CIC §790.03 and as such, constitute grounds to impose a civil penalty of $10,000 for each act.

8.

NOTICE OF NONCOMPLIANCE

PURSUANT TO CALIFORNIA INSURANCE CODE SECTION 1858.1:

THE DEPARTMENT FURTHER NOTIFIES YOU that the Commissioner has good cause to believe that the rating plans, rating systems, rates and underwriting guidelines of Insurer and the implementation of same by Agency violate various provisions of California law, as set forth below.

Pursuant to California Insurance Code section 1858, this Notice sets forth the manner and extent of noncompliance. The Department is informed and believes, and thereon alleges, violations as described below.

60. Insurer transacts the business of insurance in California on risks or lines subject to the provisions of the CIC, the California Vehicle Code ("CVC"),
and the CCR, including but not limited to CIC §§332, 358, 481.5, 660(a), 663(a)(1), 1857, 1861.01(c), 1861.02(a)(1), 1861.02(b)(1)(2), 1861.025, 1861.03(c)(1), 1861.05(a), 1872.8, 1872.81, 1874.8, 11580.1(d), 11580.26(a)(2); CVC §§655, 16431 16433; and CCR §§2360.3, 2360.4, 2360.6, 2632.19(e), 2632.5(c)(1), 2632.5(c)(2)(a), 2632.14(a)(3), 2698.62, 2698.68, 2698.71.

61. In or before March of 2013, the Department's Field Rating and Underwriting Bureau ("FRUB") conducted a market conduct examination of Insurer's and Agency's rating and underwriting practices (the "FRUB Exam").

62. On or about May 21, 2013, following the FRUB Exam, the Commissioner adopted a "Report of the Market Conduct Examination of the Rating and Underwriting Practices, As They Relate To Laws Other than CIC §790.3, of the Access Insurance Company dba Access General Insurance Company" (the "Exam Report").

63. The Department's Rating and Underwriting Services Bureau ("RUSB"), investigates consumer complaints of improper or inequitable rating and underwriting practices performed by insurance companies and agent-brokers, received and investigated consumer complaints related to Insurer and Agency's rating and underwriting practices. On certain occasions, the consumer complaints documented the same or similar violations that were discovered in the FRUB Exam. On other occasions, the consumer complaints revealed additional underwriting and rating violations. The violations that were found that are alleged in this proceeding are set forth below.

NNC Allegation No. 1: Failure to Document Good Driver Discount

64. Starting in or before May 2008 to the present, Respondents Insurer and Agency provided a good driver discount to drivers without a United States or Canadian driver's license, but failed to document that the drivers had a foreign driver's license and met the good driver discount eligibility laws.

65. These acts and/or omissions violated CIC §1857 (failure to document rates charged), CIC §1861.025 (failure to document driver is qualified to purchase a good driver policy based on being licensed for the prior three years and other defined criteria), CIC §1861.05(a) (using unfairly discriminatory rates), and CCR §2360.6 (failure to keep documentation in underwriting file).

66. The Department has good cause to believe Insurer and Agency failed to document the good driver discount in connection with approximately 80% of the policies they issued. The exact number of noncompliant acts and refunds due are unknown and will be determined at hearing.

NNC Allegation No. 2: Canceling Policies for Reasons Not Permitted by Law

67. The California Insurance Code and related regulations allow policies to be cancelled only for one or more of three reasons.

68. Starting from at least 2008 to the present, Insurer and Agency cancelled policies for reasons not permitted by law.

69. These acts and/or omissions violated CIC §1861.03(c)(1) (failure to use allowed reasons

for cancellations which are: 1) non-payment of premium; 2) fraud or material misrepresentation; or 3) substantial increase in hazard, and CCR §2632.19(e) (using substantial increase in hazard as cause for cancellation if it occurred before the most recent issuance or renewal of policy).

70. The number of noncompliant acts is unknown and will be determined at hearing.

NNC Allegation No. 3: Failure to Use Driver Safety Record

71. The California Insurance Code and related regulations require insurers to use, among other rating factors, the driver's safety record when determining premium.

72. Starting in or before March 2012 to a date uncertain, Insurer and Agency failed to use the driver safety record shown on the Motor Vehicle Reports ("MVR") when they set premium for drivers.

73. Insurer's and Agency's failure to use the driver safety record shown on the MVR violated CIC §1861.01(c) (failure to use approved rates), CIC §1861.05(a) (use of unfairly discriminatory rates), CIC §1861.02(a)(1) (failure to use first mandatory rating factor - driver's safety record) and CCR §2632.5(c)(1) (failure to use driver's safety record as determined by traffic violation convictions shown in MVR). On certain occasions, their failure also violated CCR §2360.3 (failure to charge lowest premium for which insured qualifies) and CCR §2360.4 (failure to discharge non-delegable duty to determine lowest qualifying premium).

74. The number of noncompliant acts and amount of refunds due are unknown and will be determined at hearing.

NNC Allegation No. 4: Failure to Use Correct Mileage Figures

75. The California Insurance Code and related regulations require insurers to determine a driver's annual mileage for rating purposes.

76. Starting on or before January 1, 2012 to a date uncertain, Insurer and Agency failed to use correct mileage figures to determine rates. Instead, Insurer and Agency used the identical annual mileage for every car written in 1,238 of the 1,251 zip codes in which they wrote new policies. Insurer and Agency s wrote seventy-one percent (71%) of their new policies (52,321 of 74,068) based on annual mileage of 4,499 or less. The Department of Transportation average annual miles driven was 13,476 for 2011, which indicates that Insurer and Agency are

either failing to document correctly miles driven or Insurer's policyholders drive 76% less than the average driver.

77. These acts and/or omissions violated CIC §1861.01(c) (failure to use approved rates), CIC 1861.02(a)(2) (rates shall be determined in part by number of miles driven annually), CIC §1861.05(a) (use of unfairly discriminatory rates), CCR §2632.5(c)(2)(A) (failure to require policyholder to provide annual estimate for new policy, failure to use a reasonably objective mileage estimate or a default mileage figure on file with the Department if policyholder's estimate not supported).

78. The number of noncompliant acts and amount of refunds due are unknown and will be determined at hearing.

NNC Allegation No. 4a: Failure to Use Correct Mileage Figures

79. The California Insurance Code and related regulations require insurers to determine a driver's annual mileage for rating purposes.

80. After the Department discovered that Insurer and Agency were placing the majority of their policyholders in the 4499 or less mileage band, the Department advised Insurer and Agency that they were placing policyholders in incorrect mileage bands and that they must correct this violation. Starting in or around July 2015, instead of first making a meaningful determination of the actual miles the policyholders drive annually, Insurer and Agency began to move virtually all policyholders in the mileage band of 4,499 or less and place them in higher mileage bands.

81. These acts and/or omissions violated CIC §1861.01(c) (failure to use approved rates), CIC 1861.02(a)(2) (rates shall be determined in part by number of miles driven annually), CIC §1861.05(a) (use of excessive, inadequate or unfairly discriminatory rates), CCR §2632.5(c)(2)(A) (failure to require policyholders to provide annual estimate for new policy, failure to use a reasonably objective mileage estimate or a default mileage figure on file with the Department if policyholder's estimate not supported).

82. The number of noncompliant acts and amount of refunds due are unknown and will be determined at hearing.

NNC Allegation No. 4b: Failure to Correctly Use Default Mileage Band

83. At all relevant times, Insurer's Underwriting & Rate Manual included a default mileage figure of 9,999. Insurer and Agency thereafter failed to properly use this default mileage figure.

84. These acts and/or omissions violated CIC §1861.01(c) (failure to use approved rates), CIC 1861.02(a)(2) (rates shall be determined in part by number of miles driven annually), CIC §1861.05(a) (use of excessive, inadequate or unfairly discriminatory rates), CCR §2632.5(c)(2)(A) (failure to require policyholders to provide annual estimate for new policy, failure to use a reasonably objective mileage estimate or a default mileage figure on file with the Department if policyholder's estimate not supported).

85. The number of noncompliant acts and amount of refunds due are unknown and will be determined at hearing.

NNC Allegation No. 5: Failure to Give Good Driver Discount Number Two ("GDD2")

86. Insurer's May 2010 Rating Plan included two good driver discounts that Insurer and/or Agency refers to as Good Driver Discount Number One ("GDD1") and Good Driver Discount Number Two ("GDD2"). The GDD1 is the statutorily required good driver discount and the GDD2 is an additional discount for drivers who have had no at-fault accidents or violations in the most recent sixty months.

87. Insurer and Agency failed to provide the GDD2 to drivers who were eligible for it at renewal.

88. These acts and/or omissions violated CIC §§1861.01(c) (failure to use approved rates), 1861.05(a) (use of unfairly discriminatory rates), CCR §§2360.3 (failure to charge lowest premium for which insured qualifies) and 2360.4 (failure to fulfill non-delegable duty to determine lowest qualifying premium).

89. Insurer and Agency admit that they failed to give this discount to at least 882 policyholders, resulting in at least 882 violations. The number of noncompliant acts and amount of refunds due are unknown and will be determined at hearing.

NNC Allegation No. 6: Giving GDD2 without Good Driver Discount Number One ("GDD1")

90. Insurer's May 2010 Rating Plan provides that a driver must be eligible for and receive the GDD1 in order to receive the GDD2.

91. Starting in or after May 2010, Insurer and Agency gave the GDD2 to policyholders who did not receive the GDD1.

92. These acts and/or omissions violated CIC §§1861.01(c) (failure to use approved rates) and 1861.05(a) (use of unfairly discriminatory rates). In some occasions, Respondents' acts and/or omissions also violated CCR §§2360.3 (failure to charge lowest premium for which insured qualifies) and 2360.4 (failure to fulfill non-delegable duty to determine lowest qualifying premium).

93. Insurer and Agency gave the GDD2 to policyholders that did not receive the GDD1 at least 5,227 times, resulting in at least 5,227 acts in violation. The number of noncompliant acts and amount of refunds due are unknown and will be determined at hearing.

NNC Allegation No. 7: Failure to Give Good Driver Discount for Rental Car Coverage

94. The California Insurance Code and related regulations require insurers to provide a 20% good driver discount to drivers that qualify for the discount and to offer a policy to good drivers that contains the same types of coverage as policies offered to the public.

95. Starting in or before March 2008 to a date uncertain, Insurer and Agency did not apply the statutory 20% good driver discount to rates for rental reimbursement included in good driver discount policies.

96. These acts and/or omissions violate CIC §1861.02(b)(1)(2) (failure to charge a good driver at least 20% below the rate charged for someone who does not qualify as a statutory good driver), CCR §2632.14(a)(3) (failure to offer a good driver discount policy that contains the types of coverage that the insurer offers to the public) and CIC §1861.05(a) (use of unfairly discriminatory rates).

97. The number of noncompliant acts and amount of refunds due are unknown and will be determined at hearing.

NNC Allegation No. 8: Failure to Give Non-Smoker Discount ("NSD")

98. Insurer's May 2010 Rating Plan established a new NSD. Respondents failed to provide the NSD at renewal on eligible policies first issued prior to the inception of the NSD. Respondents also failed to seek information from the policyholders to determine if they were eligible for the NSD at renewal.

99. These acts and/or omissions violated CIC §§1861.01(c) (failure to use approved rates), 1861.05(a) (use of unfairly discriminatory rates) and CCR §§2360.3 (failure to charge lowest premium for which insured qualifies) and 2360.4 (failure to fulfill non-delegable duty to determine lowest qualifying premium).

100. Insurer and Agency failed to review at least 58,057 policies at renewal for qualification for the NSD. The number of noncompliant acts and amount of refunds due are unknown and will be determined at hearing.

NNC Allegation No. 9: Failure to Give Occasional Driver Discount ("ODD")

101. Insurer's May 2010 Rating Plan established a new ODD for vehicles driven for pleasure rather than commute or business purposes. Insurer and Agency failed to give the ODD at renewal on eligible policies that were first issued prior to the inception of the ODD. Insurer and Agency also failed to seek information from policyholders to determine if they were eligible for the ODD
at renewal.

102. These acts and/or omissions violated CIC §§1861.01(c) (failure to use approved rates) and 1861.05(a) (use of unfairly discriminatory rates) and CCR §§2360.3 (failure to charge lowest premium for which insured qualifies) and 2360.4 (failure to discharge non-delegable duty to determine lowest qualifying premium).

103. Insurer and Agency failed to review at least 177 policies at renewal for qualification for the ODD. The number of noncompliant acts and amount of refunds due are unknown and will be determined at hearing.

NNC Allegation No. 10: Undercharge of Approved Fees

104. Insurer's May 2010 Rating Plan provided for certain fees.

105. Insurer and Agency charged different fees than those in the approved Rating Plan.

106. These acts and/or omissions violated CIC §§1861.01(c) (failure to use approved rates) and 1861.05(a) (use of unfairly discriminatory rates).

107. Insurer and Agency failed to charge correct fees at least 4,497 times, resulting in at least 4,497 acts of this violation. The number of noncompliant acts and amount of refunds due are unknown and will be determined at hearing.

NNC Allegation No. 11: Overcharge of Fraud Fee

108. The California Insurance Code and related regulations require insurers to pay special purpose assessments fees of up to $1.80 annually per covered vehicle related to fraud prevention, investigation and prosecution pursuant to CIC §§1872.8, 1872.81, 1874.8 and 1872.86(a) (hereafter collectively referred to as "Fraud Fees"). Insurers are allowed to pass these fees on to policyholders.

109. Starting on or before August 1, 2009 to at least March 31, 2013, Insurer and Agency overcharged policyholders for Fraud Fees. Instead of charging policyholders $1.80 annually,

Respondents charged policyholders as much as $5.40 annually, resulting in up to a $3.60 overcharge per policy annually.

110. These acts and/or omissions violated CIC §§1872.87 (insurer may recoup special purpose assessments by way of a surcharge) and 1861.01(c) (charging unapproved fees).

111. Insurer and Agency overcharged policyholders for fraud fees at least 109,000 times. The number of noncompliant acts and amount of refunds due are unknown and will be determined at hearing.

NNC Allegation No. 12: Premature Cancellations and Illegal Refusal to Reinstate

112. Starting in or before August 2011 to a date uncertain, Insurer and Agency: 1) cancelled policies midterm if payment was returned by the financial institution; 2) stated that the reason was "returned item" or "insufficient funds;" 3) refused to re-instate the policy when the

policyholder paid the premium due prior to the cancellation date; and 4) failed to provide the policyholder ten days' notice of cancellation.

113. These acts and/or omissions violated CIC §§1861.03(c)(1) (cancelling for reasons not allowed by law) and 662 (notice of cancellation for non-payment of premium not effective unless the insurer gives the policyholder ten days notice).

114. The number of noncompliant acts and amount of refunds due are unknown and will be determined at hearing.

NNC Allegation No. 13: Failure to Allow Driver Exclusions by Name; Overcharge of Premium

115. Starting in or before mid-2012 to a date uncertain, if Insurer and Agency found that a new driver (not listed at the inception of the policy) lived with a policyholder, Insurer and Agency retroactively added the driver back to the inception date of the policy. Insurer and Agency did this without: 1) obtaining the policyholder's consent; 2) offering a driver exclusion by name; or 3) determining when the new driver became a household member or eligible driver.

116. These acts and/or omissions violated CIC §11580.1(d) (exclusion of driver designated by name), CIC §1857 (failure to document rates charged), CIC §1861.05(a) (using unfairly discriminatory rates), CCR §2360.6 (failure to keep documentation in underwriting file) and CIC §1861.01(c) (failure to use approved rates).

117. The number of noncompliant acts and refunds due are unknown and will be determined at hearing.

NNC Allegation No. 14: Misleading Renewal Notices

118. Starting in or before July 2012 to a date uncertain, Insurer and Agency's renewal notice includes two different cancellation dates, one of which conflicts with Insurer's Underwriting Guidelines. In one place the renewal notice states the policy expires at 12:01 AM on, for example, April 1, 2014. In a detachable portion of the same notice, the notice says payment to avoid cancelation is due on April 1, 2014. According to Insurer's filed Underwriting Guidelines, payment is due before the expiration date. The second statement in the notice could lead a policyholder to believe they have the entire expiration day to make a payment when in

reality their policy already expired one minute past midnight on that date. This renewal notice is thus misleading and could cause policy lapse and coverage gaps.

119. These acts and/or omissions violate CIC §§332 (failure to communicate in good faith), 358 (making false representations), 663(a)(1) (failure to make offer of renewal) and 790.03(a) (misrepresenting the terms of any policy and/or making a misrepresentation for the purpose of tending to induce the policyholder to lapse his or her insurance).

120. The number of noncompliant acts is unknown and will be determined at hearing.

NNC Allegation No. 15: Failure to Issue SR-22 Certificates

121. Starting in or before August 1, 2009 to a date uncertain, Insurer and Agency failed to issue SR-22 certificates (required proof of liability insurance) for policies written on a monthly basis.

122. These acts and/or omissions violate CIC §655 (failure to complete and file the certificates required by CVC §16431), CVC §16431 (failure to provide proof of financial responsibility by written certificate showing the insurer has issued a motor vehicle liability policy for the benefit of the person named on the certificate).

123. The number of noncompliant acts is unknown and will be determined at hearing.

NNC Allegation No. 16: Improper Charge of Check Handling Fee

124. Starting in or before December 2011 to a date uncertain, Insurer and Agency charged a $10 check handling fee for all policyholder requests for return of unearned premium of less than $10.

125. These acts and/or omissions violate CIC §481.5 (requiring the insurer to tender the gross unearned premium to the insured whenever a policy terminates or there is a reduction in coverage).

126. The Department is informed and believes that Insurer and Agency owe at least $434,000 in unpaid refunds. The number of noncompliant acts and amount of refunds due are unknown and will be determined at hearing.

NNC Allegation No. 17: Improper Refusal to Renew

127. Insurer's renewal guideline rule 1.174(a) indicates that Insurer and Agency will refuse to renew a policyholder who is not eligible for insurance under its then current underwriting rules. Yet the scope of Insurer's underwriting rule includes impermissible grounds to non-renew in violation of CIC §1861.03(c)(1).

128. Starting in or before December 2011 to a date uncertain, Insurer and Agency applied Insurer's unacceptable risks rule to refuse to renew policies for reasons not permitted by law.

129. These acts and/or omissions violate CIC §1861.03(c)(1) (cancelling for reasons not allowed by law).

130. The number of noncompliant acts is unknown and will be determined at hearing.

NNC Allegation No. 18: Underpayment of Uninsured/Underinsured Motorist Claims

131. Starting in or before December 2011 to a date uncertain, Insurer and Agency required policyholders to pay a $200 deductible for uninsured or underinsured motorist claims if they did not purchase collision coverage. When Insurer and Agency apply the deductible, they compensate the policyholder for $200 less than what CIC §11580.26(a)(2) requires.

132. These acts and/or omissions violate CIC §11580.26(a)(2) (failure to compensate policyholders for actual cash value up to $3,500 if their car is damaged in a collision by an uninsured or underinsured motorist).

133. The number of noncompliant acts and amount of refunds due are unknown and will be determined at hearing.

NNC Allegation No. 19: Inability to Add New Household Member to Comprehensive and Collision Coverages

134. Starting in or before December 2011 to a date uncertain, Insurer and Agency gave a 10% discount to policyholders who allowed Insurer and Agency to include endorsement ACA-1052 on their policy. ACA-1052 excludes comprehensive and collision coverages for household residents not named at the time of the application and included on the declarations page. ACA-1052 does not give the policyholder a chance to add a new household member or to advise Insurer and Agency that an existing household member obtained a license. Thus, ACA-

1052 prevents policyholders from obtaining comprehensive and collision coverage for drivers who get their license and/or who move into the household after the date of the application.

135. These acts and/or omissions violate CIC §660(a) (personal auto policies are to be written for the benefit of the household); 1861.05(a) (no rate shall remain in effect which is inadequate, excessive or unfairly discriminatory); 1861.02 (b) (an insurer shall not refuse to offer and sell a Good Driver Discount policy to any person who meets the statutory good driver requirements); and CIC §790.03(a) (unfair or deceptive business practices).

136. If Insurer and Agency do in fact allow new members to be added, contrary to form ACA-1052 and the Underwriting Guideline associated with that 10% discount (see underwriting rule entitled "**LIMITED PHYSICAL DAMAGE COVERAGE DISCOUNT–10%"** at page 14 of Insurer's underwriting manual dated 9/1/2014), then the aforementioned form and Underwriting Guideline are misleading in violation of CIC §790.03(a) and (b) (unfair or deceptive business practices).

137. The number of noncompliant acts and amount of refunds due are unknown and will be determined at hearing.

NNC Allegation No. 20: Failure to Implement Rate Increases on Correct Date

138. While the effective date for Insurer's rate increases for both new and renewal policies was June 18, 2013, Insurer's rating and underwriting manual set the effective dates as: 1) May 26, 2013 for new business and 2) June 20, 2013 for renewal business.

139. These acts and/or omissions violate CIC §1861.05(a) (no rate shall remain in effect which is inadequate, excessive or unfairly discriminatory).

140. The number of noncompliant acts is unknown and will be determined at hearing.

9.

RELIEF REQUESTED

A. ORDER TO SHOW CAUSE RELIEF REQUESTED

1. Penalties Sought Pursuant to the OSC

THE DEPARTMENT NOTIFIES RESPONDENTS Insurer and Adjuster that it will seek penalties against Insurer and Adjuster of up to $5,000 for each act alleged in the OSC, or if

the act was willful, up to $10,000 for each act alleged in the OSC pursuant to CIC §790.035.

2. Cease and Desist Order Arising from OSC

THE DEPARTMENT FURTHER NOTIFIES RESPONDENTS Insurer and Adjuster that it will seek an order requiring Insurer and Adjuster to cease and desist from engaging in those methods, acts, or practices found to be unfair or deceptive as alleged in the Statement of Charges herein.

B. ACCUSATION UNDER SECTION 704 RELIEF REQUESTED

1. One Year Suspension of License of All Respondents

THE DEPARTMENT FURTHER NOTIFIES RESPONDENT Insurer that it will seek a suspension of Insurer's certificate of authority to transact insurance business in California for one year pursuant to CIC section 704.

The Department may amend this Notice to state additional illegal acts and seek additional relief as warranted.

C. NOTICE OF NON-COMPLIANCE RELIEF REQUESTED

THE DEPARTMENT FURTHER NOTIFIES RESPONDENTS Insurer and Agency that, to the extent Insurer and Agency's unlawful practices are ongoing at the time of delivery of this Notice, Insurer and Agency must correct their noncompliance within ten (10) days of receipt of this Notice. For each allegation listed above, Insurer and Agency must provide proof of system-wide correction, or other response permitted by CIC §1858.1, within ten (10) days of receipt of this notice.

THE DEPARTMENT FURTHER NOTIFIES RESPONDENTS that if Respondents Insurer and Agency fail to make an adequate or timely response, the Department will set a public hearing pursuant to CIC §§1858.2 and 1858.3. If, at the conclusion of the hearing, the Commissioner finds that the facts are as alleged above and constitute violations of the Insurance Code and/or Code of Regulations, he may issue an order for payment of money penalties and any other corrective action as he may deem appropriate.

1. Penalties Sought Pursuant to the NNC

THE DEPARTMENT FURTHER NOTIFIES RESPONDENTS Insurer and Agency that

it will seek penalties against Insurer and Agency of up to $5,000 for each act alleged in the NNC, or if the act was willful, up to $10,000 for each act alleged in the NNC pursuant to CIC §1858.0.

2. Order Prohibiting the Acts Alleged in the NNC

THE DEPARTMENT FURTHER NOTIFIES RESPONDENTS Insurer and Agency that it will seek an order prohibiting the acts alleged in the NNC and correcting the illegal practices alleged in the NNC pursuant to CIC section 1858.3.

3. Refunds Sought Pursuant to the NNC

THE DEPARTMENT FURTHER NOTIFIES RESPONDENTS Insurer and Agency that it will seek refunds, in an amount to be proved at hearing, for any money illegally collected or overcharged pursuant to CIC section 1858.3.

Dated: July 26, 2017

CALIFORNIA DEPARTMENT OF INSURANCE

By _____
Kevin Bush, Attorney

CDI - EXHIBIT #1

EXHIBIT NO. "1"

	Consumer Name	CSB RID	Alleged Violation(s)	Description
1	Kevin V.	6969948	CIC section 790.03h3 x 1	CIC Section 790.03(h)(3) requires the company to adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. After reviewing the consumer's complaint, this department requested that additional efforts be made to contact the insured. Two and a half months and a few more follow-up messages later, a response was issued from the company that failed to provide any detail as to what additional efforts had been made to contact its insured. Two more emails were sent to the company in the next three weeks before the company provided the details of a settlement and conclusion of the claim.
			CCR section 2695.5a x 3	The Department sent a written inquiry to the company on November 17, 2014, December 24, 2014, and January 15, 2015 and either no response or no timely response was received by the Department. Therefore three (3) violations of CCR sec. 2695.5(a) have occurred.
2	Nhi N.	6972908	CIC section 790.03h3 x 1	Section 790.03(h)(3) requires an insurer to adopt standards for the prompt investigation and processing of claims. In the company's response to the complainant dated December 18, 2014, it indicate that on February 25, 2014, the company spoke with the complainant and notified him that the company had determined its insured was negligent for this accident. The company also indicate that it received a telephone call from the complainant and he confirmed that he intended to resolve his property damage claim through State Farm who is his insurance carrier. The company's claims activity log notes dated January 9, 2014 and February 4, 2014, it indicated that the company spoke with claimant carrier and was advised that the complainant does not have collision coverage but has UMPD coverage and claimant carrier is not able to process the complainant's claim without a denial from the company When the company spoke with the complainant on February 25, 2014, it never mentioned the fact that it is aware that the complainant does not have collision coverage and it would be impossible for the complainant to go through claimant carrier to resolve his property damage claim. In addition, no further follow-up was performed by the company until the complainant filed a complaint with the Department. Therefore, a violation of this statute has occurred.

			CIC section 790.03h5 x 1	Section 790.03(h)(5) requires an insurer to attempt to effectuate prompt, fair, and equitable settlement of claims in which liability has become clear. In the company's claims activity log notes dated February 4, 2014, it is indicated that the company received its insured's statement and the insured admitted fault for the accident. The company then received an estimate cost of repairs for the complainant's vehicle on February 25, 2014 and again, on March 26, 2014. No attempt was made by the company to make any settlement offer to the complainant even though the complainant indicate in his cover letter with his estimate cost of repairs that he does not have collision coverage. Therefore a violation of this statute has occurred.
			CCR section 2695.5b x 2	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. The company received the complainant's communication on February 25, 2014 and on March 26, 2014. No response was ever sent to the complainant. Therefore, two violations of this regulation have occurred.
3	Hortensia H.	6973069	CCR section 2695.7f x 1	Section 2695.7(f) states that except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitation or other time period requirement upon which the insurer may rely to deny a timely claim. Such notice shall be given to a claimant not less than sixty (60) days prior to the expiration date; except, if notice of claim is first received by the insurer within that sixty days, then notice must be given to the claimant immediately. There is no evidence in the claim file provided to this Department that statute language was sent to the claimant, therefore one (1) violation of this regulation occurred.
4	Paul L.	6974071	CCR section 2695.7d x 1	Section 2695.7(d) states, "Every insurer shall conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonable required for or material to the resolution of claim dispute". This claim occurred on September 27, 2014. The Company failed to take diligent measures to secure the unlisted driver's recorded statement at the time the insured's statement was obtained. In addition, the Company verified the facts of loss with the insured who was a passenger at the time of loss, yet proceeded to send a letter to the complainant stating they are unable to accept the claim, therefore, one violation of this Section has occurred.

EXHIBIT 1 - 002

5	Felicia J.	6974491	CCR section 2695.7d x 1	2695.7(d) "Every insurer shall conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of a claim dispute." In this case, on 8/1/14 at 12:40p the Complainant reported the 7/31/14 accident. She described property damage and injuries. On 8/1/14 at 1:48p a file note by the company says: "CV struck IV while making a left turn. Closing PD no liability". There is no evidence that an investigation was conducted. The Complainant called again on 8/1/14 at 4:44p and left a message. The call was not returned, but on 8/8/14 a contact letter and forms were mailed to her. On 8/7/14 at 11:48a the company obtained its policyholder's statement. The policyholder made a left turn admittedly on a "yellow" light and did not see the Complainant's on-coming car. Following this conversation, there is no indication that anyone tried to contact the Complainant until 8/14/14 at 2:04p when your representative called the Complainant and the appraisal was assigned. This is a full 2 weeks after the accident. On 8/18/14 the appraisal is received. Despite the apparent damage, including both headlights inoperable, the car was considered repairable. There is no indication that anyone discussed the vehicle damage, the need for a rental car, or the future procedures. On 9/2/14 at noon, the Complainant called. At 12:33p the Complainant's statement was obtained. This event occurred a month after the loss. the company told the Complainant that they were attempting to obtain the police report to complete the liability investigation. That statement is inaccurate. On 8/7/14 the company's policyholder said he called the police, but they did not show up. There was no police report. On 9/22/14, thirty six (36) days after the Complainant's car was appraised, a letter with a copy of the appraisal was provided to her. On 10/13/14 the Complainant advised the company that additional damage was identified. On 10/23/14 a supplemental appraisal was prepared and the car was considered a total loss. On 11/1/14 the claim was reassigned to another representative. On 11/26/14, thirty three (33) days after the appraisal, a letter outlining the total loss settlement proposal and DMV instructions was provided. At some time after 12/1/14 the total loss claim was settled. On 12/29/14, after prompting from this department, the company resolved the loss of use portion of this claim. Therefore one (1) violation of this regulation occurred.

			CCR section 2695.7h x 1	2695.7(h) "Upon acceptance of the claim in whole or in part and, when necessary, upon receipt of a properly executed release, every insurer, except as specified in subsection 2695.7(h)(1) and (2) below, shall immediately, but in no event more than thirty (30) calendar days later, tender payment or otherwise take action to perform its claim obligation." In this case after the first appraisal was completed, a claim payment was due within 30 days (9/16/14) but the payment was delayed 36 days from 8/17/14 until 9/22/14. Therefore one (1) violation of this regulation occurred.
6	David S.	6976386	CCR section 2695.7h x 1	Section 2695.7(h) requires an insurer to tender payment of claims no later than 30 calendar days from acceptance of claim. The subrogation claim was received on 1/6/14 from claimant carrier. The company agreed to 50% liability with claimant carrier on 7/30/14, but failed to issue the undisputed amount until 12/2/14 and only after the department intervened. Therefore, one (1) violation of this regulation has occurred.
			CCR section 2695.7d x 1	Section 2695.7(d) states that every insurer shall conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of the claim dispute. The company verbally accepted 50% liability for the 6/24/13 auto loss and damages on 7/11/13. The company had the Proof of Claim on 1/6/14 but took 6 months to extend a 50% settlement for the subrogation claim. The company then failed to issue the undisputed and agreed upon damages until 5 months later on 12/2/14. Therefore one (1) violation of this regulation has occurred.
			CCR section 2695.7b1 x 1	Section 2695.7(b)(1) requires all claim denials to be in writing including partial denials. Access verbally denied 50% of this claim on 7/11/13. Access failed to issue a written notice of denial. Therefore, one (1) violation of this section has occurred.
7	Sonia F.	6979220	CCR section 2695.7d x 1	Section 2695.7(d) states that every insurer shall conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of a claim dispute. The company failed to return the vehicle to complainant once it completed "APPR" and only upon receipt of the Department's notice of complaint, did the company offer to move the vehicle back to complainant. The company failed to conduct a thorough, fair and objective investigation. Therefore, one violation of this regulation occurred.

EXHIBIT 1 - 004

			CCR section 2695.8b x 1	Section 2695.8(b)(1)(A) states if the insured chooses to retain the loss vehicle or if the third party claimant retains the loss vehicle, the cash settlement amount shall include the sales tax associated with the cost of a comparable automobile, discounted by the amount of sales tax attributed to the salvage value of the loss vehicle. The cash settlement amount shall also include all fees incident to transfer of the claimant's vehicle to salvage status. The salvage value may be deducted from the settlement amount and shall be determined by the amount for which a salvage pool or a licensed salvage dealer, wholesale motor vehicle auction or dismantler will purchase the salvage. If requested by the claimant, the insurer shall provide the name, address and telephone number of the salvage dealer, salvage pool, motor vehicle auction or dismantler who will purchase the salvage. The insurer shall disclose in writing to the claimant that notice of the salvage retention by the claimant must be provided to the Department of Motor Vehicles and that this notice may affect the loss vehicle's future resale and/or insured value. The disclosure must also inform the claimant of his or her right to seek a refund of the unused license fees from the Department of Motor Vehicles. The company failed to pay the Salvage Certificate Fee at $19.00 which was the prevailing fee rate in 2014; the company only paid complainant $18.00. Therefore, one (1) violation of this regulation has occurred.
8	Angel R. E.	6980932	CCR section 2695.7h x 1	Section 2695.7 (h) requires an insurer to tender payment of claims no later than 30 calendar days from acceptance of claim. Here, the complainant faxed the property damage release as evidenced by the company's claim file log note. Payment of this claim was required by November 12, 2014. The claim was not paid until January 2, 2015. Therefore, a violation of this regulation has occurred.
			CIC section 790.03h3	Under California Insurance Code Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. A violation of this statute has occurred due to the company's lack of communication and failure to process this claim in a timely manner.

9	Jose J.	6980937	CIC section 11580.011 x 1	California Insurance Code Section 11580.011 (e) states: Upon the filing of a claim pursuant to a policy described in subdivision (b), (c), or (d), unless otherwise determined, an insurer shall have an obligation to ask whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy, and an obligation to replace the child passenger restraint system or reimburse the claimant for the cost of purchasing a new passenger restraint system in accordance with this section if it was in use by a child during the accident or if it sustained a covered loss while in the vehicle. There was no documented evidence that the company asked the claimant whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy. Therefore, one violation of this California Insurance Code Section has occurred.
			CCR section 2695.7c1 x2	Section 2695.7(c)(1) requires every insurer to provide the claimant with written notice every 30 calendar days if more time is required than what is allotted in subsection 2695.7(b) to determine whether a claim should be accepted or denied. The written notice shall specify any additional information the insurer requires in order to make a determination and state any continuing reasons for the insurer's inability to make a determination. Written notices regarding the status of claim were due to be sent to the claimant by 03-28-2014 and 05-15-2014, but were not sent. Proof of claim was received by the company on 02-26-2014 in the form of a repair estimate. Therefore, two violations of this section have occurred.
10	Amrit S.	6981700	CCR section 2695.7c1 x3	Section 2695.7(c)(1) states that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. In this case, proof of claim was received on 9/9/2014 in the form of a repair estimate for the complainant. The first written notice of the need for additional time was sent timely on 9/10/2014. However, since the claim was not denied until 12/17/2014, continuing notice needed to be sent every thirty (30) days thereafter. The next three (3) notices were due to be sent on 10/10/2014, 11/10/2014 and 12/10/2014. According to the Department's review of the claim file, no additional letters were sent after 9/10/2014. Therefore, three (3) violations of this Section have occurred.

			CCR section 2695.7f x 1	Section 2695.7(f) states that, except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitations or other time period requirement upon which the insurer may rely to deny a claim. The company denied this claim on 12/17/2014, but did not advise the complainant of the statute of limitations. Therefore, one (1) violation of this Section has occurred.
11	Tiong T.	6983486	CCR section 2695.7b x 1	Section 2695.7(b) requires every insurer shall accept or deny the claim in whole or in part, within forty (40) days upon receiving the proof of claim. In this case, proof of claim was received by the company on 08/27/2014. It was not until 12/24/2014 that the company notified the complainant that more time was required for investigation. Because this continuing notice was more than forty (40) days after receipt of the proof of loss, one (1) violation of this regulation has occurred.
			CCR section 2695.7(c)(1) x 2	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by Access General Insurance Company on 08/27/2014. Continuing notices are required no later than thirty (30) calendar days, therefore they were due to the complainant on 11/05/2014 and 12/05/2014. The next continuing notice that was sent to the complainant was on 12/24/2014. Because there were no continuing notices sent to the complainant before 11/05/2014 or 12/05/2014, two (2) violations of this regulation has occurred.
12	Christopher A.	6985380	CCR section 2695.7(b) x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company on 11/26/2014, the date the complainant's vehicle was inspected. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), no later than 1/5/2015. The claim was denied until 1/20/2015, as evidenced by the company's claim file. Therefore, a violation of this regulation has occurred.
13	Hien N.	6986946	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company on 12/2/14 in the form of an (estimate of repairs) dated 12/2/14. This claim was required to be accepted or denied no later than 1/11/15. Therefore, a violation of this regulation has occurred.
14	Greg M.	6986979	CCR section 2695.5 e3 x 1	Section 2695.5(e)(3) states: "Upon receiving notice of claim, every insure shall immediately, but in no event more than fifteen (15) calendar days later to begin any necessary investigation of the claim". This claim occurred on July 21, 2014 and reported to the Company by the complainant on July 22, 2014. Necessary investigation of the claim did not begin before August 6, 2014, therefore, one violation of this Section has occurred.

			CCR section 2695.7c1 x4	Section 2695.7(c)(1) requires every insurer to provide the claimant with written notice every 30 calendar days if more time is required than what is allotted in subsection 2695.7(b) to determine whether a claim should be accepted or denied. The written notice shall specify any additional information the insurer requires in order to make a determination and state any continuing reasons for the insurer's inability to make a determination. Written notices to the claimant were not provided on August 28, 2014, September 28, 2014, October 28, 2014 and November 28, 2014; therefore, four (4) violations of this Section have occurred.
			CIC section 790.03h3 x 1	Section 790.03(h)(3) prohibits insurers from knowingly committing or performing with such frequency as to indicate a general business practice by failing to adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. There was a gap in claim activity from August 12, 2014 through October 25, 2014 and from October 25, 2014 through December 18, 2014 with the continuation of this pattern until February 5, 2015, therefore, one violation of this Section has occurred. The claimant was not provided with necessary forms, instructions and reasonable assistance by October 4, 2011 therefore, a violation of this section has occurred.
15	Molia R.	6987296	CCR section 2695.5b x2	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. The claimant attorney sent a communication to the company on 09/12/14, and 09/18/14 which was notated on company file notes. A response to these communications were due no later than 09/29/14 and 10/03/14. Company's responses to these communications were not made. Therefore, 2 violations of this regulation has occurred.
			CCR section 2695.7h x 1	Section 2695.7(h) requires an insurer to tender payment of claims no later than 30 calendar days from acceptance of claim. Here, the claim was accepted on 08/19/14 as evidenced by the company's claim file log notes. Claimant's attorney sent in a tow and storage bill on 09/18/14 and 01/28/15. Payment of this claim was required by 10/20/14. This portion of the claim has still not been paid. Therefore, a violation of this regulation has occurred.

			CCR section 2695.3a x 1	Section 2695.3(a) requires that every licensee's claim files be subject to examination by the Commissioner or by his or her duly appointed designees. These files shall contain all documents, notes and work papers (including copies of all correspondence) which reasonably pertain to each claim in such detail that pertinent events and the dates of the events can be reconstructed and the licensee's actions pertaining to the claim can be determined. Here, the claim file provided by the company did not include a copy of the 08/19/14 at fault letter to the insured, or a copy of the payment history and or draft copies. Therefore, this regulation has been violated.
16	Sotoro L.	6987518	CCR section 2695.5b x2	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. In this case, Access General received correspondence from the complainant on 3/1/13 and 3/23/13 (demands for additional payment). Responses were due no later than 3/18/13 and 4/8/13. The responses were never sent. Therefore, two (2) violation of this regulation have occurred.
			CCR section 2695.5a x 1	In reference to Section 2695.5(a), the Department sent an email to the company on 5/6/15. A response was due no later than 5/27/15. No response was received. The Department then sent a follow-up email to the company on 5/29/15. A response was received late on 6/08/15. Therefore, a violation of this regulation has occurred.
			CCR section 2695.8f x 1	2695.8(f)(1-3) requires an insurer that if the claimant contends the payment amount and secures his/her own estimate, the carrier must pay the difference or reasonably adjust the estimate and provide adjusted copy to the claimant. In this case, the claimant sent Access General three estimate, on three different occasions (1/8/13, 3/1/13 & 3/21/13). Access General failed to pay the difference or reasonably adjust the estimate. This occurred only after The Department became involved. Therefore, a violation of this regulation has occurred.
17	Charles R.	6988182	CCR section 2695.7b x 1	Section 2695.7(b) requires every insurer shall accept or deny the claim in whole or in part, within forty (40) days upon receiving the proof of claim. In this case, proof of claim was received by Access Insurance Company on 12/06/2014. It was not until 01/21/2015 that Access Insurance Company determined there was no coverage for this claim and sent a denial letter to the complainant. Because the denial letter was more than forty (40) days after receipt of the proof of loss, one (1) violation of this regulation has occurred.

18	Colby A. D.	6988379	CCR section 2695.7c1 x 6	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received on 8/4/14. The first written notice of the need for additional time was sent timely on 8/30/14. However, since the claim denial was not provided to the complainant until 2/16/15, continuing notice was required every 30 calendar days. No continuing notice was ever sent to the claimant. Therefore, 5 violations have occurred. In addition, a status letter was also due the claimant's insurance carrier 9/29/14 but was not sent, resulting in 1 additional violation of Section 2695.7(c)(1).
			CCR section 2695.5a x 1	Section 2695.5(a) requires a complete response to a California Department of Insurance inquiry within 21 days of its receipt. The department's letter of 1/30/15 requested a copy of the complete claim file. A complete written response must include copies of any claim file requested. A written response was received on 2/19/15, however it is missing the photos and estimate for the complainant's vehicle which are documented on 8/4/14 rendering it incomplete. Therefore, 1 violation of this regulation has occurred.
			CCR section 2695.7d x 1	Section 2695.7(d) requires an insurer to conduct and diligently pursue a thorough, fair, and objective investigation. In this case, the company relied entirely on the statements of its insured which, when compared to the documentation available, did not add up. Access' insured stated that it was the claimant who fled the scene, however it was the claimant who was at the scene to provide a statement to the responding police officer. Also, the company did not inspect insured's vehicle which may provide evidence to the disputed liability. Therefore, one (1) violation of this regulation has occurred.
			CCR section 2695.7f x 1	Section 2695.7(f) requires an insurer to provide timely written notice of any statute of limitation or other time period requirement upon which the insurer may rely to deny a claim. In this case, no statute of limitations letter was sent to the complainant, resulting in 1 violation of this section.
19	Nicole W.	6988438	CIC section 11580.011 x 1	California Insurance Code Section 11580.011(e) obligates an insurer to ask the claimant, upon the filing of a claim, whether a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of the accident. As the claimant was not asked about the use or presence of a child passenger restraint system, this statute has been violated.

			CCR section 2695.8b x 1	Section 2695.8(b)(1)(A) states that if the insured chooses to retain the loss vehicle or if the third party claimant retains the loss vehicle, the cash settlement amount shall include the sales tax associated with the cost of a comparable automobile, discounted by the amount of sales tax attributed to the salvage value of the loss vehicle. The cash settlement amount shall also include all fees incident to transfer of the claimant's vehicle to salvage status. The salvage value may be deducted from the settlement amount and shall be determined by the amount for which a salvage pool or a licensed salvage dealer, wholesale motor vehicle auction or dismantler will purchase the salvage. If requested by the claimant, the insurer shall provide the name, address and telephone number of the salvage dealer, salvage pool, motor vehicle auction or dismantler who will purchase the salvage. The insurer shall disclose in writing to the claimant that notice of the salvage retention by the claimant must be provided to the Department of Motor Vehicles and that this notice may affect the loss vehicle's future resale and/or insured value. The disclosure must also inform the claimant of his or her right to seek a refund of the unused license fees from the Department of Motor Vehicles. The company's settlement includes $18.00 to transfer the claimant's vehicle to a salvage status. This fee was increased to $19.00 on January 1, 2013 and again to $20.00 on January 1st, 2015. Therefore, a violation of this section has occurred.
20	Nathan E.	6988823	CCR section 2695.7c1 x 3	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by your company on November 3, 2014 in the form of estimate of repairs. The claim was required to be accepted, denied or notice sent by December 15, 2014. The notice was sent to the claimant advising of the delay on November 4, 2014. However, continuing notices required every 30 calendar days were not. Here, the continuing notices were required to be sent no later than December 5, 2014, January 5, 2015 and February 16, 2015. No continuing notices were sent to the claimant. Therefore, three (3) violations of this Regulation have occurred.
21	Mona T. T.	6989911	CCR section 2695.7f x 1	Section 2695.7(f) states except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitation or other time period requirement upon which the insurer may rely to deny a claim. Such notice shall be given to the claimant not less than sixty (60) days prior to the expiration date; except, if notice of claim is first received by the insurer within that sixty days, then notice of the expiration date must be given to the claimant immediately. The company sent a denial letter on January 27, 2015, however, there is no evidence that the statute of limitations was ever provided to claimant. Therefore, a violation of this section has occurred.

22	Robert G.	6990248	CCR section 2695.7f x 1	Section 2695.7(f) states except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitation or other time period requirement upon which the insurer may rely to deny a claim. Such notice shall be given to the claimant not less than sixty (60) days prior to the expiration date; except, if notice of claim is first received by the insurer within that sixty days, then notice of the expiration date must be given to the claimant immediately. The company sent a denial letter on January 6, 2015, however, there is no evidence that the statute of limitations was ever provided to the claimant. Therefore, one (1) violation of this section has occurred.
23	Bryce S.	6991081	CCR section 2695.5b x 1	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. In response to the company's partial denial letter 12/22/15, claimant carrier sent an email communication to the company 12/30/15 with a letter from claimant disputing liability. The email also consisted of a short video clip of the accident scene. The video clip was emailed a second time to the company on 1/9/15 at the request of the company's adjuster. After a month of no response, claimant carrier sent a third email to the company's adjuster on 2/10/15 requesting the status of the dispute letter and video clip. A response was then received from the company on 2/11/15 stating the decision will remain at 50/50. A violation of this regulation has occurred.
24	Steven S.	6992969	CCR section 2695.7d x 1	Section 2695.7(d) states that every insurer shall conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of the claim dispute. The company's liability decision is inconsistent with witness statements and police report. Therefore a violation of this regulation has occurred.
25	Tim B.	6994616	CCR section 2695.5a x 1	2695.5(a): requires a complete response to a California Department of Insurance inquiry within 21 days of its receipt. Upon review of the claim file and log notes, on March 5, 2015, a correspondence was sent to Access General regarding a request for assistance on a wrongful rejection of a claim. The claim file was received on May 7, 2015 which was more than the 21 day period. Therefore, Section 2695.5(a) has been violated.

			CCR section 2695.7f x 1	2695.7(f): Except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitation or other time period requirement upon which the insurer may rely to deny a claim. On February 25, 2015, a denial letter was sent to the claimant, however there was no information given to the claimant regarding the statute of limitation. Therefore, Section 2695.7(f) has been violated.
26	Gabriela R.	6995229	CIC section 11580.011 x 1	Section 11580.011(e) obligates an insurer to ask the claimant, upon the filing of a claim, whether a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of the accident. 11/18/14 this section was ruled out for your insured's vehicle, but not for the claimant's vehicle. Since there was no record verifying claimant was asked about the use or presence of a child passenger restraint system in company's claim file notes or correspondence, this statute has been violated.
27	Raymond J.	6998841	CCR section 2695.5a x 1	In reference to Section 2695.5(a), this Department sent a letter to Access Insurance Company on April 14, 2015 and a complete response was considered late on May 6, 2015. Department's letter of April 14, 2015, requested a complete copy of the claim file. Although the department received a response from the company on May 5, 2015, the response was not complete as the department was unable to find a copy of the company's March 17, 2015 denial letter. Therefore, a violation of this regulation has occurred.
28	Tina M.	7000164	CCR section 2695.7d x 1	2695.7(d): requires an insurer to conduct and diligently pursue a thorough, fair and objective investigation. On April 2, 2015, company's log notes reflect that speed and taking eyes off the road to look in the back seat at her child was the cause of the claimant's negligence. However this is inconsistent with what the claimant had stated to the company during her recorded interview. She states as she was driving and speaking to her passenger, she noticed the insured vehicle parked northbound on the right side of the road when suddenly the insured vehicle is in front of hers. Therefore, Section 2695.7(d) has been violated.

			CIC section 11580.011 x 1	11580.011(e): an insurer shall have an obligation to ask whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of loss that is covered by the policy. Upon review of the company's claim file log notes on March 11, 2015, the company's insured admits in his recorded interview, he made a U-turn from being originally parked and also mentioned of the other party having a passenger in her vehicle who is a minor. On March 27, 2015, the claimant stated to the company during her recorded interview, she had a passenger on the right front seat, who she was speaking to while driving. However there was no follow up question about having a car seat in the vehicle. Therefore, Section 11580.011(e) has been violated.
29	Gary P.	7000453	CIC section 790.03h5 x 1	CIC Section 790.03(h)(5) refers to an insurer not attempting in good faith to effectuate prompt, fair, and equitable settlements of claims in which liability has become reasonably clear. In this case, all statements were consistent in that the traffic was heavy and the first two vehicles were both stopped before the insured's brakes "failed" and he rear ended the Mini Cooper into the complainant vehicle. There was no evidence found in the claim file that supported the conclusion that there was an unsafe distance between the first two cars and therefore no reason to attempt settlement of the claim on a comparative basis. As such, a violation of this statute did occur.
			CCR section 2695.5a x 1	In reference to Section 2695.5(a), a preliminary review of the claim file and response showed that company's response to the Department was late. Therefore a violation of this regulation has occurred.
30	Kristy L. T.	7001046	CCR section 2695.5b x 1	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. The claimant sent a communication to the company via email on 4/14/15. A response to this communication was due no later than 4/29/15. The company did not respond to the claimant. As such, a violation of this regulation has occurred.
			CCR section 2695.7b1 x 1	Section 2695.7(b)(1) requires all claim denials to be in writing. The company's denial was in the form of a telephone message to the claimant on 4/13/15. Since this denial was not in writing, a violation of this regulation has occurred.

31	John R.	7001560	CCR section 2695.7d x 1	Section 2695.7(d) requires an insurer to conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of the claim dispute. A violation of this regulation has occurred due to the company's failure to recognize the witness statement the complainant's carrier sent to the company for review and still denied the claim initially.
32	Bertha W.	7002490	CCR section 2695.7d x 2	Section 2695.7(d) requires an insurer to conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of the claim dispute. In this case, Access General Insurance sent two letters to the insured. One was sent on 3/3/15 and the other sent on 4/13/15. Both letters requested valid proof of insurance from your insured and her medical records. An insured does NOT need to provide proof of insurance to his/her own carrier and she has no Medical Payments coverage. Therefore, two violations of this regulation have occurred.
33	Jose D. P.	7002661	CCR section 2695.5a x 1	In reference to Section 2695.5(a), this Department sent a letter to Access Insurance Company on May 11, 2015 and a complete response was considered late on June 2, 2015. A response was received on May 28, 2015; however it was incomplete as the claim file received was not the requested claim file. The requested claim file was submitted after a follow-up was sent to the company. Therefore, one violation of this regulation has occurred.
34	Carlos L.	7003849	CCR section 2695.7c1 x3	Section 2695.7(c)(1) requires an insurer to provide continuing notice to a claimant, in writing every 30 days. In this case, proof of claim was received on 1/28/15 in the form of a repair estimate. However, since the company accepted liability as of 1/19/15 and payment was issued 5/14/15, continuing notice were due on 2/27/15, 3/30/15 and 4/29/15. Therefore, three violations of this regulation have occurred.
35	Jerry R.	7004008	CIC section 790.03h3 x 1	Section 790.03(h)(3) requires the Company adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. The company's original liability decision finding their insured 50% responsible for the accident was not supported by the facts of the loss (insured hit a parked car). The company has the duty to conduct a thorough, fair and objective investigation of the loss and apply that information to liability decisions. One (1) violation of this code is alleged.

			CCR section 2695.7h x 1	Regulation Section 2695.7(h) requires The Company, upon acceptance of the claim, to tender payment within 30 calendar days. The carrier received the final signed release on January 19, 2016, but did not issue payment until March 22, 2016. One (1) violation of this regulation is alleged.
36	Donta V.	7005030	CCR section 2695.7b x 1	Section 2695.7(b) of the California Insurance Code of Regulations requires an insurer to accept or deny a claim no later than 40 days from receiving proof of claim. If more time is required to determine whether a claim should be accepted or denied, notice pursuant to section 2695.7(c)(1) must be sent. In this case, Proof of claim was received on March 23, 2015. The claim was not accepted or rejected by May 2, 2015, therefore one violation of this Section has occurred.
37	Edgardo L.	7005174	CIC section 790.03h3 x 1	IC Code Section 790.03(h)(3) requires an insurer to adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. Here, the face sheet of the police report was received by the company 10/28/14. The claimant carrier's contact information was received by the company 12/29/14. In review of the claim file notes, there was no evidence of any efforts made by the handling adjuster to secure a full copy of the police report from the insured, claimant, or claimant's carrier between 10/28/14 - 5/26/15 to assist in resolving the liability dispute. Therefore a violation of this section has occurred.
			CCR section 2695.5b x 1	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. Here, the claimant carrier sent correspondence to the company on 12/21/14 which was received and date stamped on 12/29/14. In the correspondence, the carrier was requesting a call back as their calls were dropped after entering the handling adjuster's extension. A response to this communication was due no later than 1/13/15. In review of the claim file notes and correspondence, there was no evidence verifying this correspondence was ever responded to. Therefore, a violation of this regulation has occurred.
38	Tamika D.	7006599	CIC section 790.03h(1) x 1	Code Section 790.03(h)(1) prohibits misrepresentation to claimants pertinent facts or insurance policy provisions relating to any coverages at issue. There was no objective evidence in the file to support the denial issued May 4, 2015. There was no evidence to support the insured was 100% negligence free when the claim was denied. One (1) violation of this code is alleged.

			CCR section 2695.7d x 1	Regulation Section 2695.7(d) requires The Company to conduct and diligently pursue a thorough, fair and objective investigation. The company failed to contact and interview witnesses prior to denying the claim. The carrier failed to review damages to the vehicles prior to issuing the claim denial. The company failed to attempt to obtain a witness statement from the claimant's insurance carrier prior to denying the claim. One (1) violation of this regulation is alleged.
			CCR section 2695.5a x 1	Regulation Section 2695.5(a) requires The Company to respond within twenty-one (21) days to written or oral inquiries from the Department. A complete response addresses all issues raised by the Department of Insurance in its inquiry and includes copies of any documentation and claim files requested. The Department instructed the carrier to complete a thorough and objective investigation in its correspondence of June 25, 2015. The carrier's response dated July 16, 2015 did not document the carrier had completed the required investigation, which necessitated further intervention by the Department. When the carrier finally completed the investigation it was determine the claimant was not 100% liable of the accident and PD limits were paid. The carrier's failure to review the Department's correspondence and complete the requested investigation resulted in a delay in claim settlement. One (1) violation of this regulation is alleged.
39	Wassim F.	7007088	CIC section 11580.011 x 1	California Insurance Code Section 11580.011(e) obligates an insurer to ask the claimant, upon the filing of a claim, whether a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of the accident. The insurer also has an obligation to replace the child passenger restraint system or reimburse the claimant for the cost of purchasing a new passenger restraint system. There is no indication that the claimant was asked about the presence of a child safety seat. Therefore, a violation of this regulation has occurred.

			CCR section 2695.7f x 1	Section 2695.7(f) requires an insurer to provide written notice of applicable statute of limitations. In this case, liability was partially denied to the claimant on 06/02/15; however no statute of limitations letter was sent. Therefore, a violation of this regulation has occurred.
40	Stanley L.	7008529	CCR section 2695.7f x 1	Section 2695.7(f) states that, except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitations. In this case, the claim was denied and closed. The complainant was not advised of the statute of limitations. Therefore, a violation of this code has occurred.
41	Frederick P.	7008628	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from receiving proof of claim, or send written notice pursuant to Section 2695.7(c)(1). Here, proof of claim was received by the company on February 19, 2014. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), no later than March 31, 2014. The claim was not denied until January 14, 2015. Therefore, a violation of this regulation has occurred.
			CCR section 2695.7c1 x 9	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, continuing notice was due on April 30, 2014, May 30, 2014, June 30, 2014, July 30, 2014, August 29, 2014, September 29, 2014, October 29, 2014, December 1, 2014 and December 31, 2014. Nno evidence of written notice being sent was found. Therefore, nine violations of this regulation have occurred.
			CCR section 2695.5b x4	Section 2695.5 (b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected with a complete response based on the facts as then known by the licensee, within 15 calendar days after receipt of the communication. The claimant sent a communication to your company on February 19, 2014, March 11, 2014, March 20, 2014 and March 23, 2015. No evidence of responses being sent was found. Therefore, four violation of this regulation have occurred.

42	Antonio P.	7008671	CCR section 2695.5b x 1	Section 2695.5(b) requires a licensee to a respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. The claimant sent a communication to your company dated 06/05/2015 requesting a reconsideration of the company's denial of liability. The letter which was received by the company on 06/09/2015 and documented in the log notes on 06/11/2015 at 9:53:02AM but no further action was taken. A response to this communication was due no later than 06/23/2015. A response was not sent until after a complaint was filed with this department by the complainant, as such, one (1) violation of this regulation occurred.
43	Jiantao F.	7008830	CCR section 2695.5b x3	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. The complainant sent a communication to the company via email on March 27, 2015, April 15, 2015 and May 6, 2015. A response to these communication was due no later than April 11, 2015, April 30, 2015 and May 21, 2015, respectively. No response was ever sent. Therefore, three (3) violations of this regulation have occurred.
44	Laurie S.	7009043	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Proof of claim was received by the company on 1/2/15 in the form of the subrogation package and police report. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), no later than 2/11/15. Therefore, one (1) violation of this regulation has occurred.
			CCR section 2695.7c1 x3	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny a claim within the timeframe required in Section 2695.7(b). In this case, "proof of claim" was received by the company on 1/2/15 in the form of a subrogation package with Police Report from the claimant's insurer. Written status letters were due, but not sent, by 3/13/15, 4/12/15, 5/12/15. Therefore three violations of this regulation have occurred.
			CCR section 2695.7d x 1	Section 2695.7(d) states that every insurer shall conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of the claim dispute. There Department determined there was not a diligent investigation of claim. In addition , Access liability conclusion was not reasonable, fair, or objective in view of the evidence in the file. Therefore a violation of this regulation has occurred.

45	Brittney K.	7009454	CCR section 2695.7f x 1	Section 2695.7(f) states except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitation or other time period requirement upon which the insurer may rely to deny a claim. Such notice shall be given to the claimant not less than sixty (60) days prior to the expiration date; except if notice of claim is first received by the insurer within that sixty days, then notice of the expiration date must be given to the claimant immediately. A denial letter was sent to claimant on May 26, 2015. There is no indication in the file that the statute of limitations was communicated to claimant. Therefore, one (1) violation has occurred.
46	Christianne F.	7009799	CCR section 2695.7b x 1	2695.7(b): Upon receiving proof of claim, every insurer, except as specified in subsection 2695.7(b)(4) below, shall immediately, but in no event more than forty (40) calendar days later, accept or deny the claim, in whole or in part. On March 25, 2015 the company received proof of claim from both, AAA and claimant and a denial letter was sent on May 7, 2015. In this case, the first written notice of need for additional time or accept or deny the claim should have been on May 4, 2015. Therefore, Section 2695.7(b) has been violated.
47	Aracelli T.	7009908	CCR section 2695.7d x 1	2695.7(d): Every insurer shall conduct and diligently pursue a thorough, fair and objective investigation. On 6/2/15, the witness states that the claimant was getting out of the vehicle when the insured pulled really closely and hit the driver side door of the claimant's vehicle. Based on this witness statement which is favorable to the claimant version, a denial was not reasonable or objective. Therefore, section 2695.7(d) was violated.
48	Louis C.	7010433	CCR section 2695.8j x 1	Section 2695.8(j) states that the expense of labor necessary to repair or replace the damage is not subject to depreciation or betterment unless the contract contains a clear provision permitting it. In this case, depreciation was taken on labor and the contract did not contain a clear provision permitting it. Though the company later removed betterment applied to labor on 07/10/2015 and wrote a supplemental of $41.25, the company applied betterment to labor on the initial estimate of 06/04/2015. Therefore, one (1) violation of this regulation occurred.

49	Santiago G.	7011350	CCR section 2695.7c1 x 1	Section 2695.7(c)(1) requires that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. In this case, proof of claim was received on 5/27/15 in the form of a repair estimate written for the claimant's vehicle. The first written notice of the need for additional time was sent timely on 6/3/15. Although the initial total loss offer was extended to the claimant 6/2/15, the company did not confirm the total amount of damages to the second vehicle until 6/29/15 which meant a continuing notice was required to be sent every 30 days thereafter. The next notice was required to be sent on 7/3/15. According to the department's review of the claim file, the next notice was not sent until 7/6/15. Therefore, a violation of this section has occurred.
50	Jasmine H.	7011851	CCR section 2695.5b x 1	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. The claimant faxed copies of towing/storage invoices to the company on March 27, 2015. A response to this communication was due no later than April 13, 2015. A response was not sent to the claimant until May 6, 2015. Therefore, a violation of this Regulation has occurred.
51	Craig G.	7013134	CCR section 2695.7f x 1	Section 2695.7(f) requires an insurer to provide the complainant with written notice of any statute of limitation or other time period requirement upon which the insurer may rely on to deny a claim. Such notice shall be given to the claimant not less than sixty (60) days prior to the expiration date. No notice was ever sent to the complainant. Therefore, a violation of this regulation has occurred.
52	Joanna G.	7013819	CIC section 790.03h3 x 1	Under California Insurance Code Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. Here, proof of claim was sent to the company 12/24/14 in the form of an email from claimant's carrier with the subrogation demand attached. On 9/26/14 the company received the first notice of the claim from its insured. On 11/4/14, the company reviewed the police report containing the witness statement. On 11/17/14, the company received the claimant driver's statement, but did not complete its liability decision until 7/13/15, after the company failed to prevail in arbitration. Additionally, in review of the claim file notes, there was no claim file activity between 11/18/14 - 2/16/15, until the claimant's carrier contacted the company 2/17/15 regarding the status of liability. Therefore a violation of this section has occurred.

			CCR section 2695.7c1 x 1	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by the company on 12/24/14 in the form of an email sent from the claimant's carrier with a copy of the subrogation demand. The claim was required to be accepted or denied (or notice sent) by 2/2/15. In review of the claim file notes 2/17/15, an email was sent to the claimant's carrier advising them the investigation was still ongoing. Therefore, a violation of this section has occurred.
			CCR section 2695.5b x 1	Section 2695.5 (b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected with a complete response based on the facts as then known by the licensee, within 15 calendar days after receipt of the communication. On 6/2/15, the claimant sent a demand letter to the company via e-mail. A response to this communication was required by 6/17/15. In review of the claim file notes and correspondence, there was no record verifying the company responded to the claimant's demand letter. Therefore, a violation of this section has occurred.
53	Giuliana Quevedo	7014957	CIC section 11580.011 x 1	Section 11580.011(e): California Insurance Code Section 11580.011(e) obligates an insurer to ask the claimant, upon the filing of a claim, whether a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of the accident. In review of the claim file notes, estimates, and correspondence, there was no notation or correspondence verifying that the claimant was asked about the use or presence of a child passenger restraint system. Therefore, a violation of this section has occurred.

54	Claudia P.	7016427	CIC section 11580.011 x 1	Section 11580.011(a - e) which states in part: 11580.011. (a) As used in this section, "child passenger restraint system" means a system as described in Section 27360 of the Vehicle Code. (b) Every policy of automobile liability insurance, as described in Section 16054 of the Vehicle Code, shall provide liability coverage for replacement of a child passenger restraint system that was damaged or was in use by a child during an accident for which liability coverage under the policy is applicable due to the liability of an insured. (e) Upon the filing of a claim pursuant to a policy described in subdivision (b), (c), or (d), unless otherwise determined, an insurer shall have an obligation to ask whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy, and an obligation to replace the child passenger restraint system or reimburse the claimant for the cost of purchasing a new passenger restraint system in accordance with this section if it was in use by a child during the accident or if it sustained a covered loss while in the vehicle. In this case there is no indication that the company's representative asked if there was a child safety seat in the vehicle. Therefore one (1) violation of this regulation occurred.
55	Young S. L.	7018051	CIC section 790.03h3 x 1	Under Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. In this case the there was a gap from 08/27/14 to 04/24/15 where no work was done on the file and the file took 14 months to resolve. Therefore, a violation of this regulation has occurred.
			CCR section 2695.7b	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company on 06/17/14 in the form of an estimate of repairs dated 06/14/14. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), no later than 07/28/14. The claim was not accepted until 08/10/15 as evidenced by the company's 08/10/15 letter and payment to the complainant. Therefore, a violation of this regulation has occurred.
			CCR section 2695.7c1 x 12	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. Notice was not sent every 30 days until 05/28/15 and was missed again on 06/29/15 and 07/28/15. Therefore, 12 violations of this regulation have occurred.

56	Cecilia H.	7019673	CIC section 11580.011 x 1	California Insurance Code Section 11580.011 (e) states: Upon the filing of a claim pursuant to a policy described in subdivision (b), (c), or (d), unless otherwise determined, an insurer shall have an obligation to ask whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy, and an obligation to replace the child passenger restraint system or reimburse the claimant for the cost of purchasing a new passenger restraint system in accordance with this section if it was in use by a child during the accident or if it sustained a covered loss while in the vehicle. During the department's review of the submitted claim file log notes there was no documented evidence the company assigned claims representative asked the claimant whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy. Therefore, one violation of this California Insurance Code Section has occurred.
			CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by your company on 06-30-2015, in the form of a property damage estimate of repair dated 06-30-2015. This claim was required to be accepted or denied, or notice sent per 2695.7(c) (1), no later than 08-10-2015. A status letter was sent to the claimant but not until 08-17-2015 which was post the required date of 08-10-2015. Therefore, a violation of this regulation has occurred.
57	Andrea L.	7019987	CCR section 2695.7b3 x 1	Section 2695.7(b)(3) states that written notification pursuant to this subsection shall include a statement that, if the claimant believes the claim has been wrongfully denied or rejected, he or she may have the matter reviewed by the California Department of Insurance. In this instance, the denial letter sent to the claimant on 8/25/15 did not include this statement. Therefore, a violation of this section has occurred.
			CCR section 2695.7h x 2	Section 2695.7(h) requires an insurer to tender payment of claims no later than 30 calendar days from acceptance of claim. In this case, the claimant's rental invoice and the subrogation demand was received on 7/6/15 as evidenced by the company's claim file log note. Payment of this claim was required by 8/5/15. The rental portion of the claim was not paid until 8/25/15. There is no indication payment has been issued for the subrogation demand. Therefore, two violations of this regulation have occurred.

58	Howard H.	7020037	CCR section 2695.7c1 x 7	2695.7(c)(1): If more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied in whole or in part, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. This written notice shall specify any additional information the insurer requires in order to make a determination and state any continuing reasons for the insurer's inability to make a determination. Thereafter, the written notice shall be provided every thirty (30) calendar days until a determination is made or notice of legal action is served. Upon receipt of proof of claim on 12/24/13, the first written notice of the need for additional time was sent the same day. On 1/10/14, the claim was accepted verbally however payment was not issued until 10/6/14. Continuing notice needed to be sent every 30 days thereafter so the next 9 notices were due to be sent on 1/23/14, 2/22/14, 5/17/14, 6/16/14, 7/16/14, 8/15/14, and 9/14/14. According to the department's review of the claim file, the next notice was sent by the company on 3/5/14 followed by 3/20/14 and then on 4/17/14. Therefore, Section 2695.7(c)(1) was violated 7 times.
			CIC section 790.03h5 x 2	790.03(h)(5): Not attempting in good faith to effectuate prompt, fair, and equitable settlements of claims in which liability has become reasonably clear. Upon review of the claim file on 11/25/13, the company received a written statement from its insured admitting he rear ended the other party. On 12/18/13, the company advised claimant carrier was pending however log notes reflected insured 100% liable for the loss. On 1/10/14, the company advised claimant carrier was accepted but did not inform them until 3/17/14 of adjustments needed on the PD demand. Therefore, two violations of the statute have occurred.
59	Yuan Fang H.	7020246	CCR section 2695.7b x 1	Section 2695.7(b) requires upon receiving proof of claim, every insurer, shall immediately, but in no event more than forty (40) calendar days later, accept or deny the claim, in whole or in part. The amount accepted or denied shall be clearly documented in the claim file unless the claim has been denied in its entirety. In this case, proof of claim was received on July 2, 2014, according to the file notes provided. The claim was required to be accepted or denied, or notice sent no later than August 13, 2014. The file reflects the claim was denied on November 19, 2014. Therefore, one (1) violation has occurred.
			CCR section 2695.7c1 x 3	In addition to sending a notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, notice was due, but not sent on 9-12-14, 10-12-14, and 11-11-14. Therefore, three (3) violations have occurred.

60	Anthony D.	7020313	CCR section 2695.7d x 1	Section 2695.7(d) states that every insurer shall conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of the claim dispute. There is no evidence of a diligent or reasonable effort to make contact with the company's insured who repeatedly failed to respond to contact letters and who did not have a working phone. Therefore one (1) violation of this regulation has occurred.
			CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Proof of claim was established and acknowledged on 6/19/15 with when the third party's damage estimate was received. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), no later than 7/26/15. There were no status or delay letters sent and the denial letter was sent on 8/24/15 some 69 days after proof of claim. Therefore, one (1) violation of this regulation has occurred.
61	Tom S.	7020322	CCR section 2695.3a x 1	Regulation Section 2695.3(a) requires the Company to maintain all documents, notes and work papers which reasonably pertain to each claim in such detail that pertinent events and the dates of the events can be reconstructed. The company's file does not document the valuation was reviewed for compliance as required by CCR 2695.8(b)(4). The Department is unable to determine why vehicles located in the Central and Northern California cities of Salinas, Watsonville, Stockton, and Sacramento would be identified as part of the insured's local market. The Department notes the zip code for the loss vehicle is Van Nuys, which is in Los Angeles County. One (1) violation of this regulation is alleged.
			CCR section 2695.8b x 2	Regulation Section 2695.8(b)(1) specifies the Company include, in the settlement, the one-time fees incident to transfer of evidence of ownership of a comparable automobile. The claims file documents the company paid $19.00 for the Salvage Title, the correct amount is $20.00. One (1) violation of this regulation is alleged. Regulation Section 2695.8(b)(2) specifies that a comparable automobile must have been available for retail purchase by the general public in the local market area within 90 days of the final settlement offer. The valuation notes 11 vehicles were used in the determination of value, however, the valuation only identifies 10 vehicles. The company's file contains no information concerning the missing vehicle. The final settlement offer was made August 17, 2015. The valuation documents all 10 vehicles were available between February 2 and April 27, 2015. There is no confirmation these vehicles were available for sale within 90 days of the final settlement offer. One (1) violation of this regulation is alleged.

62	Ying H.	7020636	CCR section 2695.7f x 1	Section 2695.7(f) states, except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitation or other time period requirement upon which the insurer may rely to deny a claim. Such notice shall be given to the claimant in no less than sixty (60) days prior to the expiration date, except, if notice of claim if first received by the insurer within that sixty days, then notice of the expiration date must be given to the claimant immediately. Written notice for the property damage statute was not provided, therefore, a violation of this section has occurred.
63	Juncheng G.	7020842	CIC section 790.03h3 x 1	Under Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. Here, notice of claim was received by the company 6/10/15. Initial contact was made with company's insured 6/13/15, but there was no evidence of any action taken by the handling adjuster between the dates of 6/14/15 - 8/23/15 to secure the insured driver's statement. Therefore, a violation of this section has occurred.
			CIC section 11580.011 x 1	Section 11580.011(e) obligates an insurer to ask the claimant, upon the filing of a claim, whether a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of the accident. In review of the claim file notes, estimates, and correspondence there was no notation or correspondence verifying the claimant was asked about the use or presence of a child passenger restraint system. Therefore, a violation of this section has occurred.
64	Suzanne M.	7021586	CCR section 2695.7b x 1	Section 2695.7(b) requires upon receiving proof of claim, every insurer shall immediately, but in no event more than forty (40) calendar days later, accept or deny a claim, in whole or in part. Here, proof of claim was received by the company on 12/11/14 in the form of a 12/10/14 fax from the claimant. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), no later than 1/20/15. The claim was not accepted until 9/1/15 as evidenced by your 9/1/15 letter to the claimant. Therefore, a violation of this section has occurred.

			CCR section 2695.7c1 x 7	Section 2695.7(c)(1) requires every insurer to provide notice to a claimant whenever the insurer is unable to accept or deny a claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by the company on 12/11/14 in the form of the 12/10/14 fax from the claimant. The claim was required to be accepted or denied (or notice sent) by 2/19/15. No notice was ever sent to the claimant advising of the delay. Also, continuing notice was required every 30 calendar days. Here, continuing notices were required no later than 3/23/15, 4/22/15, 5/22/15, 6/22/15, 7/22/15 and 8/21/15. No continuing notices were ever sent to the claimant. Therefore, seven (7) violations of this section have occurred.
65	Marvin D. S.	7023695	CCR section 2695.7f x 1	Section 2695.7(f) states that, except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitations or other time period requirement upon which the insurer may rely to deny a claim. The company denied this claim on September 3, 2015, but did not advise the complainant of the statute of limitations. Therefore, one violation of this regulation has occurred.
66	Cleotilde M. P.	7024098	CCR section 2695.5b x 2	Section 2695.5(b) requires a licensee to a respond to a claimant's communication that reasonably suggests that a response is expected, within fifteen (15) calendar days after receipt of that communication. The claimant sent a communication to the company on April 13, 2015 regarding her rental car expense. A response to this communication was due no later than April 28, 2015. When no response was received, she then sent a follow-up email on April 23, 2015 with a response due on or before May 8, 2015. No response was provided by the company until May 28, 2015 and therefore two (2) violations of this regulation did occur.
67	Natalie V.	7024598	CCR section 2695.7h x 1	Section 2695.7(h) requires an insurer to tender payment of claims no later than 30 calendar days from acceptance of claim. Here, the claim was accepted as evidenced by the settlement offer to the complainant attorney. As stated in Access' letter to the Department of 9/30/15, a properly signed release for this settlement was received by the company on 7/9/15. As such, payment of this claim was required by 8/18/15. The claim was not paid until 9/8/15. Therefore one (1) violation of this regulation has occurred.

68	Demetrio S.	7024721	CCR section 2695.5a x 1	In reference to Section 2695.5(a), this Department sent a letter to Access Insurance Company on September 29, 2015 and a complete response was considered late on October 21, 2015. A response was received on October 16, 2015 however the claim was still pending as investigation was ongoing. On February 5, 2016, the Department emailed to the company a claim status request however a response was not received until after a follow up email was sent to the company on March 3, 2106. Therefore, one violation of this regulation has occurred.
69	Christopher D.	7025242	CCR section 2695.4a x 1	Section 2695.4(a) requires The Company to disclose all benefits, coverage, time limits or other provisions of the insurance policy. Additionally, this regulation requires the carrier to advise the insured when additional benefits might reasonably be payable under the policy upon receipt of additional proofs of claim and cooperate and assist the insured in determining the extent of the insurer's additional liability. There is no correspondence notifying the company's insured of the benefits that were available under his policy. As such, one (1) violation of this regulation occurred.
70	Yelena A.	7026867	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by your company on August 22, 2015, in the form of the vehicle inspection. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), no later than 10/1/15. The claim was denied until 10/8/15, only after the Department became involved. Therefore, a violation of this regulation has occurred.
			CCR section 2695.7d x 1	Section 2695.7(d) requires an insurer to conduct and diligently pursue a thorough, fair and objective investigation. In this case, on 8/26/15, the complainant provided Access General with a witness. The adjuster advised the complainant he would contact the witness for a statement. This never occurred. It was only after the Department intervened that the witness was reached on 10/6/15. Therefore, a violation of this regulation has occurred.
71	Jairon C. C.	7027518	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, a review of the file notes indicate proof of claim was received by the company on July 17, 2015 in the form of medical records and a demand from the complainant's attorney. This claim was required to be accepted or denied, or notice sent per Section 2695.7(c)(1), no later than August 26, 2015. No response is noted until an offer of settlement was made on October 13, 2015. Therefore, a violation of this regulation has occurred.

			CCR section 2695.7c1 x 1	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by the company on July 17, 2015 in the form of medical records and a demand from the complainant's attorney. The claim was required to be accepted or denied (or notice sent) by August 26, 2015. No notice was ever sent to the claimant advising of the delay. Also, continuing notice was required every 30 calendar days. Here, continuing notice was required no later than September 25, 2015. No continuing notice was ever sent to the claimant. Therefore, a violation of this regulation has occurred.
72	Anna G.	7027701	CIC section 11580.011 x 1	Section 11580.011(e) requires an insurer to ask the following; Upon the filing of a claim pursuant to a policy described in subdivision (b), (c), or (d), unless otherwise determined, an insurer shall have an obligation to ask whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy, and an obligation to replace the child passenger restraint system or reimburse the claimant for the cost of purchasing a new passenger restraint system in accordance with this section if it was in use by a child during the accident or if it sustained a covered loss while in the vehicle. Access Insurance Company's claim file does not reflect the insurer asking the consumer about a child restraint system pursuant to section 11580.011(e), therefore one (1) violation.
73	William T.	7028412	CIC section 790.03h3 x 1	CIC Section 790.03(h)(3) states that an insurer must adopt and implement reasonable standards for the prompt investigation and processing of insurance claims. In this case, Access General received proof of claim on 7/27/15. Access states that the policy cancelled due to non-payment of premium on 7/3/15, however no follow up was completed on this claim until after the Department's inquiry of 10/6/15. After receiving the Department's inquiry, Access General attempted to contact their insured and then denied the complainant's claim due to the policy being cancelled. There is no evidence that Access General investigated or processed this claim promptly resulting in one (1) violation of this section.

			CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept, deny, or provide written notice outlining the need for additional time to settle a claim within 40 days of receipt of proof of claim. In this case, proof of claim was received on 7/27/15 in the form of a vehicle estimate and photos. Based on this section, the claim should have been accepted or denied, or written notice provided by 9/7/15, however no such notice was given. Therefore, one (1) violation of this section has occurred.
			CCR section 2695.7c1 x 1	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). Since the claim was not denied until 10/23/15, continuing notice was required every 30 calendar days from 9/7/15. Here, continuing notice was due on 10/7/15. No continuing notice was ever sent to the claimant on or before this date. Therefore, one (1) violation of this regulation has occurred.
74	Arieh G.	7030477	CCR section 2695.5b x 1	2695.5(b) requires an insurer, upon receiving any communication from a claimant, regarding a claim, that reasonably suggests that a response is expected, every licensee shall immediately, but in no event more than fifteen (15) calendar days after receipt of that communication, furnish the claimant with a complete response based on the facts as then known by the licensee. In this case, on 8/17/15 the Complainant submitted copies of the repair receipts and a demand letter. A response was due within 15 days, on or before 9/1/15; however there is no evidence that a representative replied. Therefore one (1) violation of this regulation occurred.
			CCR section 2695.7b x 1	Section 2695.7(b) - Upon receiving proof of claim, every insurer, except as specified in subsection 2695.7(b)(4) shall immediately, but in no event more than forty (40) calendar days later, accept or deny the claim, in whole or in part. In this case, on 8/17/15 the Complainant submitted the proof of loss and a decision to accept or deny the claim was due within 40 days, on or before 9/28/15; however the representative did not respond until 10/26/15, which was 28 days overdue. Therefore one (1) violation of this regulation occurred.

75	Lloyd B.	7030927	CCR section 2695.5b x 2	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within (15) calendar days after receipt of that communication. In this case, the claimant's agent faxed the judgment on 9/25/15 along with an email requesting a response. Additionally, the agent sent an email asking for follow up on 9/28/15. No response was submitted to the complainant until Access' letter dated 11/5/15. Therefore, 2 violations of this section have occurred.
			CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company in the form of an (estimate of repairs) dated 5/6/15. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), no later than 6/15/15. The claim was not accepted until 10/26/15 as evidenced by your claims file log note. Therefore, a violation of this regulation has occurred.
			CCR section 2695.7c1 x 4	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, continuing notice should have been sent on 7/6/15, 8/5/15, 9/4/15 and 10/5/15. Therefore, 4 violations of this section have occurred.
			CCR section 2695.7d x 1	Section 2695.7(d) requires an insurer to conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of the claim dispute. In this case, both the insured and claimant had conflicting versions of the accident. The company's insured informed the company on 4/29/15 that he was arrested for DUI. Both parties confirmed a police report was filed. Access had an opportunity to obtain the police report but failed to do so. Furthermore, the company requested a copy of the judgment from the insured on 10/26/15 when it already has such document in its possession via fax dated 9/25/15. As such, a violation of this regulation has occurred.
76	Irene M.	7031240	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept, deny, or provide written notice outlining the need for additional time to settle a claim within 40 days of receipt of proof of claim. In this case, proof of claim was received on 8/12/15 in the form of a vehicle estimate and photos. Based on this section, the claim should have been accepted or denied, or written notice provided by 9/21/15, however no written notice was sent until the claim was denied on 10/12/15. Therefore, one (1) violation of this section has occurred.

77	Bernice T.	7031250	CCR section 2695.4a x 1	Section 2695.4(a) Every insurer shall disclose to a first party claimant or beneficiary, all benefits, coverage, time limits or other provisions of any insurance policy issued by that insurer that may apply to the claim presented by the claimant. When additional benefits might reasonably be payable under an insured's policy upon receipt of additional proofs of claim, the insurer shall immediately communicate this fact to the insured and cooperate with and assist the insured in determining the extent of the insurer's additional liability. No coverage letter or verbal acknowledgment of coverage was given to the insured. Therefore, a violation of this section has occurred.
78	Javier V.	7031393	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company on 8/14/15 in the form of the complainant's vehicle estimate. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), no later than 9/23/15. The claim was denied on 10/10/15. Therefore, a violation of this regulation has occurred.
79	James G.	7031939	CIC section 11580.011 x 1	CIC Section 11580.011(e): An insurer shall have an obligation to ask whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of the loss covered by the policy, and an obligation to replace the child passenger restraint system or reimburse the claimant for the cost of purchasing a new passenger restraint system in accordance with this section if it was in use by a child during the accident or if it sustained a covered loss while in the vehicle. Upon review of the company's claim file and log notes, question about a child seat restraint in the claimant vehicle was not asked. Therefore, one (1) violation of this statue has occurred.
80	Bhupinder G.	7031988	CCR section 2695.5a x 1	Section 2695.5(a) requires a complete response to a California Department of Insurance inquiry within 21 days of its receipt. The Department's letter of 10/26/15 requested a copy of the complete claim file. A complete written response must include copies of any claim file requested. A complete written response was considered late on 11/21/15.The complete claim file was not received in our office until 12/4/15. Therefore, a violation of this regulation has occurred.

81	Kevin L.	7032079	CIC section 11580.011 x 1	Section 11580.011 (e) states: Upon the filing of a claim pursuant to a policy described in subdivision (b), (c), or (d), unless otherwise determined, an insurer shall have an obligation to ask whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy, and an obligation to replace the child passenger restraint system or reimburse the claimant for the cost of purchasing a new passenger restraint system in accordance with this section if it was in use by a child during the accident or if it sustained a covered loss while in the vehicle. During the department's review of the submitted claim file log notes there was no documented evidence in the assigned claims representative asking the claimant whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy. Therefore, one violation has occurred.
82	Jonathan H.	7033032	CIC section 11580.011 x 1	Code Section 11580.011(e) requires the Company to ask if a child passenger restraint system was in use by a child during an accident. The carrier failed to determine if a child passenger seat was in use at the time of the accident. As such, one (1) violation of this code occurred.
			CCR section 2695.5 e2 x 1	Section 2695.5(e) (2) requires The Company to provide necessary forms, instructions, and reasonable assistance within 15 calendar days. There is no documentation in the file that the claimant was asked about a child car seat or instructed how to make a claim for a child car seat. As such, one (1) violation of this regulation occurred.
83	Darryl A.	7033126	CCR section 2695.7f x 1	Section 2695.7(f) states that, except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitations. In this case, the claim was denied and closed on November 3, 2015. The statute of limitations was not provided to the complainant. Therefore, a violation of this code has occurred.
			CIC section 790.03h3 x 1	Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. In this case, the claim was reported on September 22, 2015. The adjuster's first attempt to reach the insured was on 10/2/15. A letter was sent the same day. The next attempt to reach the insured was completed 11/3/15 (over a month later). In the meantime, the claimant kept requesting status. Some of his communications were ignored. The attempts to reach the insured were absent. Furthermore, the adjuster never attempted to reach the complainant/claimant to discuss the accident. Therefore, a violation of this regulation has occurred.

			CCR section 2695.5b x 2	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. Here, the claimant sent two emails. One on 10/8/15 and the other on 10/13/15. A response to the first email was due 10/23/15 and a response to the second email was due 10/28/15. However, the responses were never completed. Therefore, two violations of this regulation have occurred.
84	Michelle S.	7033149	CIC section 11580.011 x 1	Section 11580.011(e) states: Upon the filing of a claim pursuant to a policy described in subdivision (b), (c), or (d), unless otherwise determined, an insurer shall have an obligation to ask whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy, and an obligation to replace the child passenger restraint system or reimburse the claimant for the cost of purchasing a new passenger restraint system in accordance with this section if it was in use by a child during the accident or if it sustained a covered loss while in the vehicle. During the department's review of the submitted claim file log notes there was no documented evidence the assigned claims representative asked the claimant whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy. Therefore, one violation of this California Insurance Code Section has occurred.
85	Maria L.	7033938	CIC section 790.03h1 x 1	Section 790.03(h)(1), an insurer should not misrepresent to claimants pertinent facts or insurance policy provisions relating to any coverages at issue. In this case, a letter was sent to the claimant on 10/07/15 indicating she was 50% liable for the accident when the company actually found her 30% liable for the accident. Therefore, one (1) violation of this statute has occurred.
			CCR section 2632.13e1 x 1	Section 2632.13(e)(1) states the insurer shall provide written notice to the insured of the result of such investigation, including any determination that the driver was principally at-fault. The notice shall specify the basis of any determination that the accident resulted in bodily injury or death. The notice shall advise the insured of the right to reconsideration of the determination of fault. There is no indication the insured was provided with this notification. Therefore, one (1) violation of this regulation has occurred.

			CCR section 2695.5b x 2	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. The insured sent emails on 09/04/15 and 09/11/15 and there was no response. Therefore, two (2) violations of this regulation has occurred.
			CCR section 2695.7d x 1	Section 2695.7(d) requires an insurer to conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of the claim dispute. In this case, a 30% deduction was taken for comparative negligence from the claimant's settlement. The reason for the deduction was that the claimant was not paying attention and speeding. Access has failed to support that the claimant was traveling at an unsafe speed for conditions or that the claimant was not paying attention. Therefore, one (1) violation of this regulation has occurred.
			CCR section 2695.8f x 1	Section 2695.8(f) states if partial losses are settled on the basis of a written estimate prepared by or for the insurer, the insurer shall supply the claimant with a copy of the estimate upon which the settlement is based. There is no indication the claimant was provided a copy of the estimate written on 09/02/15. In the appraisal report by ACD, a notation was made indicating that a copy of the report was not provided to the claimant. Therefore, one (1) violation of this regulation has occurred.
86	Connie L.	7034736	CCR section 2695.5b x 4	Section 2695.5 (b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected with a complete response based on the facts as then known by the licensee, within 15 calendar days after receipt of the communication. The complainant sent a communication to the company via facsimile on 1/23/15 and 2/12/15 and an email on 3/16/15. A response to this communication was required by 2/8/15, 2/29/15 and 3/31/15. Claimant carrier sent a communication to the company via mail 10/28/15 and received by the company on 11/2/15. A response to this communication was required by 11/17/15. Therefore, four violations of this regulation have occurred.
			CCR section 2695.7b x 2	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Proof of claim was received by the company via facsimile on 6/22/15 in the form of a rental invoice and receipt for deductible. This claim was required to be accepted or denied, in whole or in part by 8/3/15. Proof of claim was received by the company via facsimile on 7/27/15 in the form of a subrogation demand. This claim was required to be accepted or denied, in whole or in part by 9/8/15. Therefore, two violations of this regulation have occurred.

			CCR section 2695.7c1 x 5	In addition to sending notice after 40 days,Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, continuing notice should have been sent the complainant on 9/2/15, 10/2/15 and 11/2/15. Additionally, continuing notice to claimant carrier should have been sent on 10/8/15 and 11/9/15. As such, five violations of this regulation have occurred.
87	Bashir S.	7034830	CIC section 11580.011 x 1	Section 11580.011(e) obligates an insurer to ask the claimant, upon the filing of a claim, whether a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of the accident. In review of the claim file notes, estimates, and correspondence there was no notation or correspondence verifying the claimant was asked about the use or presence of a child passenger restraint system. Therefore, one (1) violation of this statute has occurred.
			CIC section 790.03h3 x 1	Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. In review of the claim file notes, there were no continued efforts made by the company to contact the insured or keep the claimant updated on the status of the claim during the time period of 9/16/15 - 11/16/15. Therefore, one (1) violation of this statute has occurred.
			CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from proof of claim. Here, proof of claim was received by the company on 8/13/15 in the form of an estimate written for claimant's vehicle by ACD Technology & Claims Services. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), no later than 9/22/15. In review of the claim file notes and correspondence, there was no correspondence sent to claimant on or before 9/22/15 informing claimant of the reasons behind the delay. Therefore, one (1) violation of this regulation has occurred.
			CCR section 2695.7c1 x 1	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide a continuing notice to a claimant, in writing, every 30 days thereafter. In this case, a continuing notice was required to be sent on 10/22/15. The department's review of the claim file found no evidence of written notice being sent to claimant on or before 10/22/15. Therefore, one (1) violation of this regulation has occurred.

88	William F. K.	7034865	CCR section 2695.7h x 1	Section 2695.7(h) requires an insurer to tender payment of claims no later than 30 calendar days from acceptance of claim. In this case, the claimant's signed property damage release was received by the company on 9/30/15 as evidenced by the company's claim file log note. Payment of this claim was required by 10/30/15. The claim was not paid until 11/25/15. Therefore, a violation of this regulation has occurred.
89	Man Chung W.	7034951	CIC section 11580.011 x 1	Section 11580.011(e) obligates an insurer to ask the claimant, upon the filing of a claim, whether a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of the accident. In review of the claim file notes, estimates, and correspondence there was no notation or correspondence verifying the claimant was asked about the use or presence of a child passenger restraint system. Therefore, one (1) violation of this statute has occurred.
			CIC section 790.03h3 x 1	Under Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. Here, the first notice of loss report and the company's claim file notes 9/23/15 verified the contact information for the claimant and claimant carrier, but no efforts were made by the company to contact the insured, claimant, or claimant carrier to confirm the facts of the loss during the time period of 9/24/15 to 10/21/15. Therefore, one (1) violation of this statute has occurred.
			CCR section 2695.5a x 1	Section 2695.5(a) requires a complete response to a Department of Insurance inquiry within 21 calendar days. A response is considered to be complete if it addresses all issues raised by the Department of Insurance in its inquiry and includes copies of any documentation and claim files requested. In the department's November 12, 2015 letter to the company, it asked for a copy of the complete claim file. Here, the claim file provided by the company did not include a copy of the November 25, 2015 betterment correspondence referenced in the company's claim activity log notes November 25, 2015. Therefore, one (1) violation of this regulation has occurred.

90	Fermin R.	7035083	CCR section 2695.7c1 x 1	Section 2695.7(c)(1) requires that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. In this case, proof of claim was received on 7/22/13 in the form of a repair estimate. The first written notice of the need for additional time was sent timely on 8/26/13. However, since the claim was not denied until 10/15/13, continuing notice needed to be sent every 30 days thereafter. The next notice was due to be sent on 9/25/13. According to the department's review of the claim file, the next notice was not sent until 10/15/13. Therefore, one (1) violation of this section has occurred.
			CCR section 2695.7f x 1	Section 2695.7(f) requires an insurer to provide the following; except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitation or other time period requirement upon which the insurer may rely to deny a claim. None of the correspondence sent by Access Insurance Company, to the complainant, included written notice of the statue of limitations pursuant to section 2695.7(f). Therefore, one (1) violation of this section has occurred.
91	Breonna T.	7035299	CIC section 11580.011 x 1	11580.011(b) requires every policy of automobile liability insurance, as described in Section 16054 of the Vehicle Code, shall provide liability coverage for replacement of a child passenger restraint system that was damaged or was in use by a child during an accident for which liability coverage under the policy is applicable due to the liability of an insured. 11580.011(e) requires, upon the filing of a claim pursuant to a policy described in subdivision (b), (c), or (d), unless otherwise determined, an insurer shall have an obligation to ask whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy, and an obligation to replace the child passenger restraint system or reimburse the claimant for the cost of purchasing a new passenger restraint system in accordance with this section if it was in use by a child during the accident or if it sustained a covered loss while in the vehicle. Therefore, one violation of this section has occurred.

			CIC section 790.03h5 x 1	Section 790.03(h)(5) proscribes an insurer from "Not attempting in good faith to effectuate prompt, fair, and equitable settlements of claims in which liability has become reasonably clear." In this case, the Complainant's request for assistance described the company's representative's failure to return messages in a timely manner. The rental car was not promptly authorized and consequently the vehicle repairs were delayed. There is a gap in claim activity between 8/4/15 and 10/14/15 which supports the department's finding that the company's representative failed to effect a prompt settlement of the claim after liability was accepted on 8/4/15. Therefore one (1) violation of this regulation occurred.
			CCR section 2695.7h x 1	2695.7(h) "Upon acceptance of the claim in whole or in part and, when necessary, upon receipt of a properly executed release, every insurer, except as specified in subsection 2695.7(h)(1) and (2) below, shall immediately, but in no event more than thirty (30) calendar days later, tender payment or otherwise take action to perform its claim obligation." In this case, liability was accepted on 8/4/15 and the Complainant's vehicle appraisal was completed on 8/10/15. A property damage payment was due within 30 days, on or before 9/9/15 following proof of claim. The payment was issued on 10/27/15 which is 48 days late. Therefore one (1) violation of this regulation occurred.
92	Francisco G.	7035941	CCR section 2695.5b x 1	Section 2695.5 (b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of the communication. In this case, the complainant sent an email to the company on 11/16/15 asking for a response to discuss the claim. A response was required within 15 days, no lather 12/1/15. However, a response was never completed. Therefore, a violation of this regulation has occurred.
			CCR section 2695.7d x 1	Section 2695.7(d) requires an insurer to conduct a diligent, fair, objective and thorough investigation. In this case, Access General had not paid the claim due to the insured's lack of cooperation. However, claim was reported 9/17/15 by claimant carrier. A letter was sent and a call made to the insured on 9/18/15. The next attempt to ever reach the insured was 11/2/15, a month and a half later. In the meantime, the complainant and claimant carrier kept calling asking for status. A more diligent investigation was required. Therefore, a violation of this regulation has occurred.

93	Rebecca L.	7035976	CCR section 2695.7d x 1	Section 2695.7(d) states, "Every insurer shall conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of claim dispute". In this case, the Company received the insured's signed Driver's Statement on November 13, 2015 where she admits fault for the accident. The Company is being cited for one Violation of this Section for denial of liability despite receiving written admission of fault from the insured.
94	Barbie P.	7036168	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company on 8/6/15 in the form of an estimate. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), no later than 9/15/15. The claim was initially denied on 11/6/15, and later accepted on 12/21/15 as evidenced by your 12/21/15 claims file log note. Therefore, a violation of this regulation has occurred.
			CCR section 2695.7c1 x 1	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, continuing notice should have been sent on 10/15/15. the department's review of the claim file found no evidence of written notice being sent. Therefore, a violation of this regulation has occurred.
95	Melissa D.	7037706	CCR section 2695.7h x 1	Section 2695.7(h) requires an insurer, after acceptance of a claim, to tender payment of the claim in no less than thirty (30) calendar days. In this case, the Company accepted the claim on July 28, 2015. An agreement to pay the complainant's subrogation demand was made on October 6, 2015 and payment authorization was requested on the same day. Payment was not issued until December 14, 2015. Therefore, a violation of this regulation has occurred.
96	Hector B.	7037907	CIC section 11580.011 x 1	Section 11580.011(e) requires an insurer to ask the following; Upon the filing of a claim pursuant to a policy described in subdivision (b), (c), or (d), unless otherwise determined, an insurer shall have an obligation to ask whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy, and an obligation to replace the child passenger restraint system or reimburse the claimant for the cost of purchasing a new passenger restraint system in accordance with this section if it was in use by a child during the accident or if it sustained a covered loss while in the vehicle. Access Insurance Company's claim file does not reflect the insurer asking the claimant about a child restraint system pursuant to section 11580.011(e), therefore one (1) violation has occurred.

97	David S.	7038254	CIC section 11580.011 x 1	Section 11580.011(e) states, "Upon the filing of a claim pursuant to a policy described in subdivision (b), (c) or (d), unless otherwise determined, an insurer shall have an obligation to ask whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy, and an obligation to replace the child passenger restraint system or reimburse the claimant for the cost of purchasing a new passenger restraint system in accordance with this section if it was in use by a child during the accident or if it sustained a covered loss while in the vehicle." In this case, based on the department's review of the claim file submitted, the Company failed to ask whether a child passenger restraint system was in use by a child during the accident or whether one was in the vehicle at the time of the loss. Therefore, a violation of Section 11580.011(e) CIC has occurred.
			CCR section 2695.7d	Section 2695.7(d) requires that "Every insurer shall conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of a claim dispute." In this case the company's adjuster ignored the supervisor's requests of April 27, 2015, June 12,2015, July 20, 2015 and November 21, 2015, that the adjuster make contact with a bodily injury claimant. In fact the claimant in question was not contacted until December 11, 2015. Therefore, a violation of Section 2695.7(D) CCR has occurred.
98	Delorise W.	7038664	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from proof of claim. Here, proof of claim was received by your company on 9/24/2015 in the form of an estimate. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), no later than 11/3/2015. The claim was later accepted and payment issued on 12/31/2015 as evidenced by a copy of the company's letter dated 12/31/2015 to the complainant. Therefore, a violation of this regulation has occurred.
			CCR section 2695.7c1 x 1	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, continuing notice should have been sent on 12/3/2015. The Department's review of the claim file found that the company sent the written notice on 12/23/2015. As such, a violation of this regulation has occurred.

99	Maria B.	7039223	CCR section 2695.8i x 1	Section 2695.8(i) states that when the amount claimed is adjusted because of betterment or depreciation, all justification shall be contained in the claim file. Any adjustments shall be discernable, measurable, itemized, and specified as to dollar amount, and shall accurately reflect the value of the betterment or depreciation. This subsection shall not preclude deduction for prior and/or unrelated damage to the loss vehicle. The basis for any adjustment shall be fully explained to the claimant in writing. Betterment was taken on the claimant estimate for $41.80. However no written notice was sent to the claimant. Therefore, one (1) violation of this statute has occurred.
			CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company on 10/26/15 in the form of an estimate of repairs dated 10/24/15. This claim was required to be accepted or denied, or notice sent no later than 12/07/15. The claim was not accepted until 12/23/15 as evidenced by the claims file log notes. Therefore, one (1) violation of this regulation has occurred.
			CIC section 790.03h3 x 1	Under Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. The company received both written statements on 10/14/15 and 10/19/15. The company received the claimant's estimate of repairs on 10/26/15. There was no file activity from 10/20/15 until after the request for assistance was received on 12/23/15. Therefore, one (1) violation of this statute has occurred.
			CIC section 11580.011 x 1	Section 11580.011(e) obligates an insurer to ask the claimant, upon the filing of a claim, whether a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of the accident. As the claimant was not asked about the use or presence of a child passenger restraint system, one (1) violation of this statute has occurred.

100	Rolando Ancheta	7039399	CIC section 11580.011 x 1	Section 11580.011(e) of the states, "Upon the filing of a claim pursuant to a policy described in subdivision (b), (c) or (d), unless otherwise determined, an insurer shall have an obligation to ask whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy, and an obligation to replace the child passenger restraint system or reimburse the claimant for the cost of purchasing a new passenger restraint system in accordance with this section if it was in use by a child during the accident or if it sustained a covered loss while in the vehicle." In this case, based on the department's review of the claim file submitted, the Company failed to ask whether a child passenger restraint system was in use by a child during the accident or whether one was in the claimant's vehicle at the time of the loss. Therefore, a violation of this Section has occurred.
101	Juan R.	7039493	CCR section 2692.7c1 x 6	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, based on the Department's review of the claim file submitted, the company failed to send additional to the complainants. Therefore, several violations of this Section occurred.
			CCR section 2695.5b x 3	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. In this case, claimant's adjuster asked about the status. However, the company failed to respond in a timely manner. Furthermore, National Interstate Insurance sent the company a letter. Again, the company failed to respond in a timely manner. Therefore, several violations of this Section occurred.
102	Jose G.	7039508	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company in the form of an estimate for repairs. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), in a timely manner. The claim was not accepted in a timely manner. Therefore, a violation of this section occurred.

			CCR section 2695.7c1 x 1	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). Again, proof of claim was received by your company in the form of an estimate for repairs. The claim was required to be accepted or denied (or notice sent) in a timely manner. When no notice was ever sent to the claimant advising of the delay, continuing notice was required every 30 calendar days. No continuing notice was ever sent to the claimant and, therefore, one violation of this Section occurred.
103	Megan K.	7039644	CCR section 2695.5b x 1	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within (15) calendar days after receipt of that communication. In this case, the complainant submitted an e-mail requesting a response regarding the status of the claim. No response was submitted in a timely manner. Therefore, a violation of this section occurred.
			CCR section 2695.7d x 1	Section 2695.7(d) requires an insurer to conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of the claim dispute. In this case, the company received the insured's written statement admitting fault for rear-ending the complainant. This information would appear to be sufficient to complete your liability investigation. However, company failed to timely process the claim even after the company received all the pertinent facts. Therefore, a violation of this section occurred.
104	Joshua W.	7039953	CCR section 2695.7b1 x 1	Section 2695.7(b)(1) requires the Company to provide, in its written denial, a reference to and explanation of the applications of specific statutes, applicable laws, and policy provisions, conditions or exclusions. The denial letter did not include reference to policy provisions or the application of policy provisions in the denial of the claim. Therefore, a violation of this section occurred.
105	Luis G.	7040209	CCR section 2695.7c1 x 2	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). Continuing notices are required to be sent every 30 calendar days. The company failed to send said notices. The company denied the claim. Therefore, a violation of this section occurred.

106	Jennifer P.	7040779	CCR section 2695.5 e3 x 1	Section 2695.5(e)(3) requires that a company begin any necessary investigation no later than 15 calendar days from notice of claim. Notice of claim was received by your company. The company was required to take action under this regulation, but the company failed to do so in a timely manner. Therefore, a violation of this section occurred.
107	Maribel A.	7040911	CCR section 2695.7c1 x4	Section 2695.7(c)(1) requires that if additional time is needed to accept and/or deny the claim in whole or in part, the Company shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. The carrier failed to notify the claimant that additional time was necessary to accept or deny the claim. The carrier failed to send any notices to the claimant and the claim was denied. Therefore, four violations of this regulation occured.
			CCR section 2695.7d x 1	Section 2695.7(d) requires the Company to conduct and diligently pursue a thorough, fair and objective investigation. The carrier failed to make timely and diligent efforts to obtain the statement of their insured driver. The file does not support the carrier conducted a diligent investigation of the loss with their insured. Therefore, a violation of this regulation occurred.
			CIC section 790.03h3 x 1	Section 790.03(h)(3) requires the Company adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. The file confirms there was a question of coverage involving an unlisted driver on the date of loss. It appears the carrier received a copy of the application specific to this coverage period. There was no evidence the carrier completed a review of the underwriting document or made a coverage determination until contacted by the Department of Insurance. The carrier had the documentation in the claim file to make a coverage determination, but failed to review the document or the claim file in a timely manner. Therefore a violation of this section occurred.

108	Judith U.	7042119	CCR section 2695.7c1 x 2	Section 2695.7(c)(1) requires that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. In this case, proof of claim was received by the company on 1/7/16. The first written notices requesting the need for additional time were sent timely on 1/11/16 and 1/18/16. However, since a total loss settlement offer was not extended until 3/30/16, continuing notices were required to be sent every 30 days thereafter. The next notice was required to be sent no later than 2/17/16, but was not sent until 2/19/16. The next notice was required to be sent no later than 3/18/16, but was never sent. Therefore, two (2) violations of this regulation have occurred.
109	Meredyth W.	7042145	CCR section 2695.7c1 x 5	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by the company in the form of the complainant's vehicle estimate. The claim was required to be accepted, denied or notice sent in a timely manner. The company failed to send Notice to the claimant in a timely manner. Moreover, no continuing notice was ever sent tot he claimant as required. Therefore, fiveviolations of this Regulation occurred.
110	Lorenzo N.	7042421	CCR section 2695.7c1 x 3	Section 2695.7 (c) (1) requires every insurer to provide the claimant with written notice every 30 calendar days if more time is required than what is allotted in subsection 2695.7(b) to determine whether a claim should be accepted or denied. The written notice shall specify any additional information the insurer requires in order to make a determination and state any continuing reasons for the insurer's inability to make a determination. Written notices regarding were not sent to the claimant in a timely manner. Therefore, three violations of this section occurred.
			CCR section 2695.5a x 1	In reference to Section 2695.5(a), this Department sent a letter to the company requesting that the company reevaluate its handling of this claim and advise the complainant in writing of the results. The Department also requested that the company provide the Department with a complete copy of the claim file. Although we received correspondence from the company, the response was incomplete. The correspondence did not contain a complete copy of the claim file and its contents. The submitted claim file failed to include a copy of the company's status letter to the claimant. Therefore a violation of this regulation occurred.

111	Daisy C.	7043575	CCR section 2695.5b x 2	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. The claimant sent a communication to the company; however, the company failed to respond in a timely manner. Therefore, two violations of this Regulation occurred.
112	Anne T.	7044274	CCR section 2695.7c1 x 3	Section 2695.7(c)(1) requires that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. In this case, proof of claim was received in the form of a subrogation demand sent to your company by the other carrier. The first notice requesting the need for additional time was sent timely. The company received an updated subrogation demand from the other carrier fulfilling the company's request for additional time. However, since the company did not extend a settlement offer to the other carrier, status notices were required to be sent every 30 days thereafter. In the department's review of the claim file, there was no evidence verifying required notices were ever sent. Therefore, three violations of this regulation occurred.
			CCR section 2695.7h x 1	Section 2695.7(h) requires an insurer to tender payment of claims no later than 30 calendar days from acceptance of claim. Here, the company failed to pay the claim in a timely manner. Therefore, one violation of the regulation occurred.
113	Alex V.	7044454	CCR section 2695.3a x 1	Section 2695.3(a) requires that every licensee's claim files be subject to examination by the Commissioner or by his or her duly appointed designees. These files shall contain all documents, notes and work papers (including copies of all correspondence) which reasonably pertain to each claim in such detail that pertinent events and the dates of the events can be reconstructed and the licensee's actions pertaining to the claim can be determined. Here, the insured indicated that they rear ended a vehicle, and, per the file notes, liability was accepted on the same day. A payment was issued to the third party claimant. Following this, there are no file notes to indicate that liability was reversed or to clarify liability. In the response to the complainant, it is notated that the insured is negligent free. Therefore, one violation of the regulation has occurred.
			CCR section 2695.7f x 1	Section 2695.7(f) requires an insurer to provide written notice of applicable statute of limitations. In this case, liability was denied; however, no statute of limitations letter was sent in a timely manner. Therefore, one violation of this regulation occurred.

114	Delmy L.	7045944	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept, deny or give notice of additional time on a claim no later than 40 days from "proof of claim". Here, proof of claim was received by your company in the form of the vehicle inspection. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), in a timely manner. The company failed to send the additional time notice in a timely manner. Therefore, a violation of this regulation occurred.
			CCR section 2695.5b x 1	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. Here, the claimant called in and requested a claim update. The company failed to respond to this request in a timely manner. Therefore, a violation of this regulation occurred.
115	Kathryn M.	7046267	CCR section 2695.7h x 1	Section 2695.7(h) requires an insurer to tender payment of claims no later than 30 calendar days from acceptance of claim. Here, the claim was accepted when the company received the subrogation demand from Wawanesa General Insurance Company. Payment of this claim was required in a timely manner. The claim was not paid in a timely manner. Therefore, one violation of this regulation occurred.
116	Victor C.	7046271	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from receiving proof of claim, or send written notice pursuant to Section 2695.7(c)(1). Here, proof of claim was received by the company. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), in a timely manner. The claim was not denied or accepted in a timely manner. Therefore, a violation of this regulation occurred.
			CCR section 2695.7c1 x 2	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, the company failed to provide continuing notice(s). Therefore, two violations of this regulation occurred.
117	Avery H.	7046277	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from receiving proof of claim, or send written notice pursuant to Section 2695.7(c)(1). Here, proof of claim was received by the company. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), in at imely manner. The failed to pay the claim in a timely manner. Therefore, a violation of this regulation occurred.

			CCR section 2695.7c1 x 5	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, continuing notice(s) should have been sent timely. The company failed to provide continuing notices. Therefore, five violations of this regulation occurred.
			CCR section 2695.5b x 2	Section 2695.5 (b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected with a complete response based on the facts as then known by the licensee, within 15 calendar days after receipt of the communication. The claimant sent a communication to the company, and claimant's carrier also sent notice. The company failed to timely respond to either notice. Therefore, two violations of this regulation have occurred.
			CCR section 2695.7h x 1	Section 2695.7 (h) requires an insurer to tender payment of claims no later than 30 calendar days from acceptance of claim. Here, a rental invoice was submitted to teh company; liability was accepted by the company and payment of this claim was required to be made in a timely manner. Payment was not issued timely. Therefore, a violation of this regulation occurred.
118	Artak Z.	7046415	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim." Here, the company received proof of claim in the form of an estimate cost of repair for the complainant's vehicle. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), timely. The company failed to deny the claim timely. Therefore, a violation of this regulation has occurred.
119	Shaighn Kim	7046485	CIC section 790.03h3 x 1	Under Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. In this case, it took the company more than 9 months to send a denial in writing after obtaining proof of claim. It was not until the Department intervened, that a denial was sent out. Therefore, one violation of this Section occurred.
			CCR section 2695.7c1 x 8	Section 2695.7(c)(1) states that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. In this case, proof of claim was received by the company in the form of a repair estimate for the complainant. The first written notice of the need for additional time was sent timely. However, since the claim was not denied, continuing notice needed to be sent every 30 days thereafter. The company failed to do so, and eight violations of the Section occurred.

			CCR section 2695.5b x7	Section 2695.5 (b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected with a complete response based on the facts as then known by the licensee, within 15 calendar days after receipt of the communication. The complainant sent email communications to the company that required a response. However, there was no response to these emails. Therefore, seven violations of this Section occurred.
			CCR section 2695.5a x 1	Section 2695.5(a) of the Fair Claims Settlement Practices Regulations requires a complete response to a Department of Insurance inquiry within 21 calendar days. A response is considered to be complete if it addresses all issues raised by the Department of Insurance in its inquiry and includes copies of any documentation and claim files requested. The Department's letter to the company requestedr a copy of the complete claim file. The response failed to include an email sent to the complainant. Therefore, one violation of this section has occurred.
120	Sulema S.	7046679	CIC section 11580.011 x 1	Section 11580.011(e) obligates an insurer to ask the claimant, upon the filing of a claim, whether a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of the accident. As the claimant was not asked about the use or presence of a child passenger restraint system, this statute has been violated.
			CCR section 2695.7h x 1	Section 2695.7(h) requires an insurer to tender payment of claims no later than 30 calendar days from acceptance of claim. In this case, the claimant's repair estimate was received as evidenced by the claim file log note. Payment of this claim was required to be made timely. The payment was not issued timely. Therefore, a violation of this regulation occurred.
			CCR section 2695.8f x 1	Section 2695.8(f) states if a partial loss is settled on the basis of a written estimate prepared by or for the insurer, the insurer shall supply the claimant with a copy of the estimate upon which the settlement is based. There is no indication the claimant was provided a copy of the estimate. Therefore, a violation of this regulation occurred.

121	Raudel M.	7046788	CCR section 2695.7h x 1	Section 2695.7(h) says that upon acceptance of the claim in whole or in part and, when necessary, upon receipt of a properly executed release, every insurer shall immediately, but in no event more than thirty (30) calendar days later, tender payment or otherwise take action to perform its claim obligation. In this case, the company received the signed property damage release, and sent an acknowledgement letter to the carrier advising the file is being reviewed for payment. As such, payment should have been issued timely. Payment was not issued timely. Therefore, one violation of this regulation occurred.
			CCR section 2695.5b x 1	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. In this case, National Interstate Insurance forwarded supporting documentation to the company. A timely response to this communication was due. However, the company failed to timely forward a Bodily Injury release to National Interstate Insurance. Therefore, one violation of this regulation has occurred.
122	Ashia A.	7046965	CCR section 2695.5b x 1	Regulation Section 2695.5(b) requires the company to respond to communications from claimants within 15 calendar days. The carrier's file documents receipt of an e-mail from the claimant carrier. There is no evidence the carrier provided a response to this communication. Therefore, one violation of this regulation occurred.
			CCR section 2695.7b x 1	Section 2695.7(b) requires the company, upon receiving proof of claim, to accept or deny the claim within 40 calendar days. The carrier received a subrogation demand. The company failed to timely respond timely. Therefore, one violation of this regulation occurred.
			CCR section 2695.7c1 x 1	Section 2695.7(c)(1) requires the company to provide written notice of the need for additional time or information every 30 calendar days. The carrier owed a written timely notice, and failed to do so. Therefore, one violation of this regulation occurred.
123	Felix V.	7046995	CCR section 2695.5b x2	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. The claimant's insurance company sent an email to the company. A timely response was required. Also, the claimant sent an email to the company. A timely response to the email was due. No responses were sent. Therefore, two violations of this Regulation occurred.

			CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company in the form of an estimate of repairs. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), in a timely manner. The company failed to accept or deny the claim timely. Therefore, a violation of this Regulation occurred.
			CCR section 2695.7c1 x 1	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by the company in the form of the estimate of repairs. The claim was required to be accepted or denied, or notice sent, timely. No notice was ever sent to the claimant advising of the delay. Therefore, a violation of this Regulation occurred.
124	Natalia S.	7047284	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from receiving proof of claim, or send written notice pursuant to Section 2695.7(c)(1). Here, proof of claim was received by your company. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), timely. The claim was not denied in writing timely. Therefore, a violation of this regulation occurred.
			CCR section 2695.7c1 x 2	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, continuing notice should have been sent timely. No evidence of written notice being sent was found. Therefore, two violations of this regulation occurred.
125	Terron L.	7047319	CCR section 2695.5 e3 x 1	Section 2695.5(e)(3) requires an insurer to begin the investigation no later than 15 calendar days from "notice of claim". Here, notice of claim was received by the company. The company's first attempt to reach the insured and the claimant for a statement was not completed timely. Therefore, a violation of this regulation occurred.
			CCR section 2695.7d x 1	Section 2695.7(d) requires an insurer to conduct and diligently pursue a thorough, fair and objective investigation. In this case, the claim was reported. An investigation only began after the department of insurance became involved. It was only then that more attempts were made to contact the insured and his agent. Therefore, a violation of this regulation occurred.

126	Saul M.	7047454	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company in the form of an estimate. This claim was required to be accepted, denied or notice sent per 2695.7(c)(1), timely. Notice was not sent timely. The claim was later accepted and payment issued. Therefore, a violation of this Regulation occurred.
127	Noreen L.	7047471	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company in the form of a subrogation demand. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), timely. The claim was not partially denied in a timely manner. Therefore, a violation of this regulation occurred.
			CCR section 2695.7c1 x2	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, continuing notices should have been sent. The department's review of the claim file found no evidence of written notice being sent. Therefore, two violations of this regulation occurred.
128	Milton B.	7047591	CCR section 2695.5a x 1	Section 2695.5(a) requires a complete response to a Department of Insurance inquiry within 21 calendar days. A response is considered to be complete if it addresses all issues raised by the department 's inquiry and includes copies of any documentation and claim files requested. Although a response was received from the company, the response was an incorrect claim file not associated with this case. The correct claim file was ultimately received by the department. Therefore, one violation of this regulation occurred.
129	Arnulfo C.	7048390	CIC section 790.03h3 x 1	Under Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. In this case, it took the company five (5) months to finally process the claim. The company accepted liability and extended coverage; however, the company failed to notify the attorney even though there were emails and letters received requesting a status on the investigation. It was not until the Department intervened, that the company contacted the attorney to process the claim. Therefore, one violation of this Section occurred.

			CCR section 2695.5b x 3	Section 2695.5 (b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected with a complete response based on the facts as then known by the licensee, within 15 calendar days after receipt of the communication. The claimant sent a communication to the company via e-mail and via letters. The failed to respond to said correspondences. Therefore, three violations of this Section occurred.
130	Moe J.	7049049	CCR section 2695.7c1 x 1	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by the company in the form of the estimate. A Notice of the delay needed to be sent timely. No timely notice was ever sent to the claimant advising of the delay. Therefore, a violation of this regulation occurred.
131	Rachel R.	7049174	CCR section 2695.7c1 x5	Section 2695.7(c)(1): Written notice shall be provided every thirty (30) calendar days until a determination is made or notice of legal action is served. Section 2695.7(c)(1) requires that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. In this case, proof of claim was received, in the form of a repair estimate written by the company. The first written notice of the need for additional time was not sent timely. Since then continuing notice needed to be sent every 30 days thereafter. These notices was not sent timely. Therefore, five violations of this section occurred.
			CCR section 2695.5b x 1	Section 2695.5(b): Upon receiving any communication from a claimant, regarding a claim, that reasonably suggests that a response is expected, every licensee shall immediately, but in no event more than fifteen (15) calendar days after receipt of that communication, furnish the claimant with a complete response based on the facts as then known by the licensee. Upon review of the claim file, an email was received from the consumer; however, the company failed to respond to the claimant's request. Therefore, one violation of Section 2695.5(b) occurred.

132	Martin T.	7049685	CCR section 2695.7d x 1	Section 2695.7(d) requires an insurer to conduct and diligently pursue a thorough, fair and objective investigation. In this case, your insured failed to cooperate with the investigation and your company denied liability based on "disputed" versions. However, during his first notice of loss, the insured stated to your company that he made a left and hit the claimant. The police report also placed him at fault for the accident. Therefore, the liability denial did not seem appropriate. It was until the Department's involvement that the claim was reviewed again and liability accepted. Therefore, a violation of this regulation occurred.
			CCR section 2695.7f x 1	Section 2695.7(f) states that, except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitations. In this case, the claim was initially denied and closed. The statute of limitations was not provided. Therefore, a violation of this code occurred.
133	Darrell H.	7049858	CIC section 790.03h2 x 1	Section 790.03(h)(2) refers to an insurer failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies. The claim file copy confirmed that the company had received the same number of correspondence that the complainant showed this department he had sent to them in order to try and resolve his claim. The claim file also confirmed that no responses were ever sent by the company to the complainant until after the Request for Assistance was filed with this department. Therefore, a violation of this statute did occur.
			CCR section 2695.7h - x2	Section 2695.7(h) requires an insurer to tender payment of claims no later than 30 calendar days from acceptance of claim. Here, liability was accepted and the At-Fault letter that was sent to the insured. Due to the fact that there were multiple claimants and the possibility of a limits issue, a complete proof of claim was needed from both claimants before any payment on this claim could be considered. The claim file shows that on May 27, 2015, the company had both proof of claims and as the combined total fell within the limits of the policy, payment was due timely. The claims were not timely paid. Therefore, two violations of this regulation occurred.
134	Robert A.	7050594	CIC section 11580.011 x 2	There was no documentation in the company's claim file that child seats were addressed for either claimant vehicle resulting in two violations of CIC Section 11580.011(b-e).
			CCR section 2695.3a x 1	The claim note indicated repair estimate for claimant vehicle was received. However the estimate was not included in the company's response resulting in a violation of Sections 2695.3(a)

			CIC section 790.03h3 x 1	After the company sent an attorney acknowledgement letter, there were no claim notes for the period that follows other than a claim review note from the supervisor which listed information that was still needed but did not move the investigation forward. This is a violation of CIC Section 790.03(h)(3).
135	Desiree L.	7050595	CCR section 2695.7f x 1	Section 2695.7(f) states that except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitation or other time period requirement upon which the insurer may rely to deny a timely claim. Such notice shall be given to a claimant not less than sixty (60) days prior to the expiration date; except, if notice of claim is first received by the insurer within that sixty days, then notice must be given to the claimant immediately. There is no evidence in the claim file provided to this Department that statute language was sent to the claimant,the company's partial denial letter or in any other correspondence. As such, one violation of this regulation occurred.
			CIC section 11580.011 x 1	Section 11580.011(e) requires an insurer to ask whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy, and an obligation to replace the child passenger restraint system or reimburse the claimant for the cost of purchasing a new passenger restraint system in accordance with this section if it was in use by a child during the accident or if it sustained a covered loss while in the vehicle. The company failed to determine if a child passenger seat was in use at the time of the accident. As such, one (1) violation of this code occurred.
136	Pat W.	7050808	CIC section 790.03h3 x 1	Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. Here, liability was accepted. The company received the claimant's property damage estimate. In review of the claim file notes, there was no reasonable efforts made by your company to promptly resolve the property damage claim. Therefore, one violation of this statute occurred.

			CCR section 2695.7b x2	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". In this case, proof of claim was received by the company in the form of an email from the claimant with a repair estimate attached. The claim was required to be accepted or denied (or notice sent) timely. In review of the claim file notes and correspondence, there was no notice sent to the claimant advising claimant of the reasoning behind the delay. Additionally, proof of claim was received by your company in the form of an email from the claimant with medical bills attached. The claim was required to be accepted or denied (or notice sent) timely. In review of the claim file notes and correspondence, there was no notice sent to the claimant advising claimant of the reasoning behind the delay. Therefore, two violations of this regulation occurred.
			CCR section 2695.7c1 x 1	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide a continuing notice to a claimant, in writing, every 30 days thereafter. In this case, a continuing notice for claimant's bodily injury claim should have been sent timely. Our review of the claim file found no evidence the continuing notice was ever sent to the claimant. Therefore, one violation of this regulation occurred.
			CCR section 2695.7h x 1	Section 2695.7(h) requires an insurer to tender payment of claims no later than 30 calendar days from acceptance of claim. Here, liability was accepted. Claimants repair estimate was received by the company. Payment for the property damage claim was required to be timely paid. However, the company failed to timely pay the claim. Therefore, one violation of this regulation occurred.
			CCR section 2632.13 e1 x 1	Section 2632.13(e)(1) requires an insurer to provide written notice to the insured of the result of such investigation, including any determination that the driver was principally at-fault. The notice shall specify the basis of any determination that a driver was principally at-fault including the basis of any determination that the accident resulted in bodily injury or death. Here, the at-fault letter sent to your insured did not disclose to the insured the accident resulted in bodily injury. Therefore, one violation of this regulation occurred.
137	Billy M.	7050931	CCR section 2695.7f x 1	Section 2695.7(f) states that, except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitations or other time period requirement upon which the insurer may rely to deny a claim. The company denied this claim, but did not advise the complainant of the statute of limitations. Therefore, one violation of this regulation has occurred.

138	Alejandra N.	7051143	CCR section 2695.7c1 x 1	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by your company in the form of an estimate of damages. The claim was required to be accepted, denied or notice sent in a timely manner. The company did send a notice timely advising them of the company's need for more time. However, continuing notice was also required every 30 calendar days after that until such time that a decision could be made. Here, the company failed to send a . therefore, a violation of this section occurred.
139	Jeovanna M.	7051200	CCR section 2695.7f x 1	Section 2695.7(f) states that, except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitations or other time period requirement upon which the insurer may rely to deny a claim. The company partially denied this claim; however, the company did not advise the complainant of the statute of limitations neither in the denial nor any other correspondence. Therefore, one violation of this Section occurred.
140	Lucy W.	7051861	CCR section 2695.7b x 1	2695.7(b): Upon receiving proof of claim, every insurer, except as specified in subsection 2695.7(b)(4) below, shall immediately, but in no event more than forty (40) calendar days later, accept or deny the claim, in whole or in part. Proof of claim for the complainant's property damage was received in the form of an estimate. However, written notice was not sent advising of the additional time needed. Therefore, one (1) violation of 2695.7(b) has occurred.
			CCR section 2695.7c1 x 1	2695.79(c)(1): Written notice shall be provided every thirty (30) calendar days until a determination is made or notice of legal action is served. Section 2695.7(c)(1) requires that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. In this case, proof of claim was received in the form of a repair estimate written by your company. The first written notice of the need for additional time was not sent. Moreover, continuing notice was not sent timely. Therefore, one violation of Section 2695.7(c)(1) occurred.

141	Traci G.	7052119	CCR section 2695.7c1 x4	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required is section 2695.7(b). In this case the company received a claim and sent an acknowledgement letter. The claim was required to be accepted or denied, or notice sent, in a timely manner. No Notice was sent. Continuing notices were required every 30 days. No continuing notices were sent. The claim was eventually denied by the company. Therefore, four violations of the regulation occurred.
142	Garette S.	7052320	CCR section 2695.5a x 1	Section 2695.5(a) requires a complete response to a California Department of Insurance inquiry within 21 days of its receipt. The Department's letter of 4/18/16 requested status regarding the resolution of the claim. Your company did not provide this information timely. Therefore, a violation of this regulation occurred.
143	Paul Diaz	7052522	CCR section 2695.7h x 1	Section 2695.7(h) requires an insurer to tender payment of claims no later than 30 calendar days from acceptance of claim. Here, the claim was accepted as evidenced by your response letter to the Department. Timely payment of this claim was required. The failed to pay the claim timely. Therefore, one violation of this regulation occurred.
144	Wendy H.	7052606	CIC section 790.03h3 x 1	The department's review of the company's claim file found a lack of prompt investigation and processing of this claim pursuant to CIC 790.03(h)(3). As an example, the subrogation demand was received and the company accepted liability; however, a pro-rata offer was not timely made, even though there were no additional exposures. Therefore, a violation of this statute has occurred.
			CCR section 2695.7b x2	Proof of claim for property damage was received by the company and proof of claim for bodily injury was received. The company failed to respond within 40 days of receipt of proof of claim in violation of CCR 2695.7(b).
			CCR section 2695.7c1 x 12	The company also repeatedly failed to provide status every 30 days thereafter as required by CCR 2695.7(c)(1). Based on the dates of receipt, a total of seven status letters were missed for the bodily injury claim and a total of seven status letters were also missed for the property damage claim.
			CCR section 2695.5a x 1	The company did not submit the claim file notes along with its response to the Department's inquiry which violates CCR 2695.5(a).

145	Jessica A.	7052823	CIC section 11580.011 x 1	Section 11580.011(e) obligates an insurer to ask the claimant, upon the filing of a claim, whether a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of the accident. As the claimant was not asked about the use or presence of a child passenger restraint system, one violation of this statute occurred.
			CCR section 2695.5a x 1	Section 2695.5(a) requires a complete response to a California Department of Insurance inquiry within 21 days of its receipt. The Department's letter of 03/02/2016 requested a copy of the complete claim file along with the insured's declarations page and policy. A complete written response must include copies of any claim file requested. The company failed to respond timely. The declarations page, to date, has still not been received. Therefore, one violation of this regulation occurred.
146	Stephanie H.	7053054	CCR section 2695.7c1 x2	Section 2695.7(c)(1) requires every insurer to provide the claimant with written notice every 30 calendar days if more time is required than what is allotted in subsection 2695.7(b) to determine whether a claim should be accepted or denied. The Written notice shall specify any additional information the insurer requires in order to make a determination and state any continuing reasons for the insurer's inability to make a determination. Written notices regarding the status of the claim were due to be sent to the claimant, but were not sent. Therefore, two violations of this section occurred.
147	Christine R.	7053119	CCR section 2695.5a x 1	The complainant submitted a copy of an email to the Department that was sent to company's adjuster. However, this email was not included when the company submitted its response to the department's request for the complete claim file thereby violating CCR Section 2695.5(a).
			CCR section 2695.5b x 1	Additionally, the company did not respond to the complainant's email within 15 days of receipt which is a violation of CCR Section 2695.5(b).
148	Tammy A.	7053297	CCR section 2695.7c1 x 3	The company received proof of loss in the form of the complainant's property damage estimate. The adjuster sent an acknowledgement letter to the attorney which provided status thereby satisfying the requirement to give notice within 40 days of receipt of proof of claim. However, subsequent status letters were required every 30 days thereafter but these letters were not sent. Therefore, three violations of CCR Section 2695.7(c)(1) were found.

149	Emilio M.	7053506	2695.5a x 1	Section 2695.5(a) requires a complete response to a California Department of Insurance inquiry within 21 days of its receipt. The Department's letter of 03/04/2016 requested a copy of the complete claim file along with the insured's declarations page and policy. A complete written response must include copies of any claim file requested. The complete claim file including the policy as requested, to date, has still not been received. Therefore, one violation of this regulation occurred.
			CCR section 2695.7c1 x 2	Section 2695.7(c)(1) requires that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. In this case, proof of claim was received in the form of a repair estimate from ACD Technology & Claims Services. The first written notice of the need for additional time was sent timely. However, since the company did not immediately deny the claim, continuing notices needed to be sent every 30 days. The company failed to send several notices within the required time frame. Therefore, two violations of this section occurred.
150	Aaron V.	7053638	CCR section 2695.7d x 1	Section 2695.7(d) requires an insurer to conduct and diligently pursue a thorough, fair and objective investigation. In this case, the claim was reported. The company's initial and only attempt to reach the insured was approximately 12 days later. The next attempt was not timely even though the company had received a copy of the police report. The report contained the insured's and claimant's contact information. The first attempt to reach the claimant was done by mail approximately six weeks after the claim was filed. Therefore, a violation of this regulation occurred.

			CIC section 11580.011 x 1	Section 11580.011 (e) states: Upon the filing of a claim pursuant to a policy described in subdivision (b), (c), or (d), unless otherwise determined, an insurer shall have an obligation to ask whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy, and an obligation to replace the child passenger restraint system or reimburse the claimant for the cost of purchasing a new passenger restraint system in accordance with this section if it was in use by a child during the accident or if it sustained a covered loss while in the vehicle. During the department's review of the submitted claim file log notes there was no documented evidence the assigned claims representative asked the claimant whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy. Therefore, one violation of this California Insurance Code Section has occurred.
151	Lisa V.	7053759	CIC section 790.03h3 x 1	Under Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. In this case, it took the company almost five months to process the complainant's claim. There were several gaps in the claim file of no claims activity, as much as two months. It does not appear that there was any prompt processing or investigating of the complainant's claim. Therefore, one violation of this Section occurred.
			CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company in the form of a vehicle inspection completed for the complainant. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), timely. The claim was not accepted timely. Therefore, one violation of this Section occurred.
			CCR section 2695.7c1 x 2	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, continuing notices were not sent timely. Therefore, two violations of this Section occurred.

			CCR section 2695.5b x 1	Section 2695.5 (b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected with a complete response based on the facts as then known by the licensee, within 15 calendar days after receipt of the communication. The complainant sent a communication to the company via e-mail. There was no evidence in the claim file of a response to this communication within 15 calendar days. Therefore, one violation of this Section occurred.
152	Harvey R.	7053834	CIC section 790.03h3 x 1	Under Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. In this case, the company's file notes indicated that it failed to contact claimant in a timely manner even though it had claimant's information. Therefore, one violation of this statute occurred.
			CCR section 2695.5b x 4	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. In this case, claimant emailed the company many times providing his contact information and information requested by the company to process the property damage claim, and requesting status of the claim. The company failed to respond to the emails timely. Therefore, four violations of this statute occurred.
153	Kwamena A.	7053878	CCR section 2695.5a x 1	Section 2695.5(a) requires a complete response to a Department of Insurance inquiry within 21 calendar days. A response is considered to be complete if it addresses all issues raised by the Department of Insurance in its inquiry and includes copies of any documentation and claim files requested. The department requested a copy of the complete claim file in its letter dated March 10, 2016 letter to the company. However, the March 25, 2016 reservation of rights letter is missing from both initial and final response from the company. Therefore, one violation of this section occurred.
			CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company in the form of an estimate of repairs. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), timely. The company failed to accept or deny the claim within 40 days. Therefore, one violation of this regulation occurred.

			CCR section 2695.7c1 x 1	Section 2695.7(c)(1) requires that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. In this case, proof of claim was received in the form of a repair estimate. The first written notice of the need for additional time was in the form of a response to the request for assistance. However, since the claim was not denied immediately, continuing notice needed to be sent every 30 days thereafter. The company failed to send a timely notice. Therefore, one violation of this section occurred.
154	Blake W.	7053941	CCR section 2695.8b x 2	Section 2695.8(b)(1) specifies the Company include, in the settlement, the license fee and other annual fees computed based upon the remaining term of the current registration. The carrier failed to properly pay fees associated with the total loss. The carrier paid $34.00, but the fee settlement in the file indicates that $99.00 was due upon settlement. One (1) violation of this regulation is alleged. Regulation Section 2695.8(b)(2) specifies that a comparable automobile must have been available for retail purchase by the general public in the local market area within 90 days of the final settlement offer. The carrier's settlement was non-complaint with this requirement. One violation of this regulation occurred.
155	Mario V.	7053970	CCR section 2695.5b x 1	Section 2695.5 (b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected with a complete response based on the facts as then known by the licensee, within 15 calendar days after receipt of the communication. Here, the claimant carrier sent a communication to your administrator Access General Insurance Adjusters, LLC via fax requesting a status update on claimant's bodily injury claim for possible medical payment subrogation. A timely response to this communication was required. A timely response was not made. Therefore, one violation of this regulation occurred.
156	Sonia F.	7053977	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by your company in the form of an estimate. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), timely. The notice was not sent timely. Therefore, a violation of this regulation occurred.

			CCR section 2695.8b x 1	Section 2695.8(b)(2) states that a "comparable automobile" is one of like kind and quality, made by the same manufacturer, of the same or newer model year, of the same model type, of a similar body type, with options and mileage similar to the insured vehicle. Newer model year automobiles may not be used as comparable automobiles unless there are not sufficient comparable automobiles of the same model year to make a determination as set forth in Section 2695.8(b)(3), below. In determining the cost of a comparable automobile, the insurer may use either the asking price or actual sale price of that automobile. Any differences between the comparable automobile and the insured vehicle shall be permitted only if the insurer fairly adjusts for such differences. Any adjustments from the cost of a comparable automobile must be discernible, measurable, itemized, and specified as well as appropriate in dollar amount and so documented in the claim file. Deductions taken from the cost of a comparable automobile that cannot be supported shall not be used. The actual cost of a comparable automobile shall not include any deduction for the condition of a loss vehicle unless the documented condition of the loss vehicle is below average for that particular year, make and model of vehicle. This subsection shall not preclude deduction for prior and/or unrelated damage to the loss vehicle. A comparable automobile must have been available for retail purchase by the general public in the local market area within ninety (90) calendar days of the final settlement offer. The comparable automobiles used to calculate the cost shall be identified by the vehicle identification number (VIN), the stock or order number of the vehicle from a licensed dealer, or the license plate number of that comparable vehicle if this information is available. The identification shall also include the telephone number (including area code) or street address of the seller of the comparable automobile. The dollar-for-dollar deduction the company applied to the settlement amount, representing the retail cost to repair the preexisting damage to the loss vehicle, is improper. An insurer cannot apply a deduction that drives the settlement amount down below the loss vehicle's fair market value. Because a vehicle's value does not derive solely from its cosmetic condition but also from its functionality, deducting the full retail cost to repair damage that does not affect the vehicle's essential functionality violates the fair market value standard. In keeping with this standard, any deduction for preexisting damage that renders the loss vehicle to a below-average condition cannot exceed the difference between the value of the comparable, average-condition vehicle and what the loss vehicle would have sold for
157	Tierra A.	7053978	CCR section 2695.5 e2 x 1	Section 2695.5(e)(2) requires an insurer to provide necessary claim forms no later than 15 calendar days from "notice of claim". Notice of claim was received by the company on 01/15/2016. The company was required to take action under this regulation no later than 02/01/2016. The required action was not done until 03/10/2016. Therefore, one (1) violation of this regulation has occurred.

			CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company in the form subrogation demand. This claim was required to be accepted or denied, or notice sent timely. The required action was never completed. The claim was not denied timelyr. Therefore, one (1) violation of this regulation occurred.
			CCR section 2695.7c1 x 2	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, continuing notices should have been sent timely. The company failed to send said required notices. Therefore, two violation of this regulation occurred.
158	Sarai A.	7054249	CCR section 2695.5a x 1	Section 2695.5(a) requires a complete response to a Department of Insurance inquiry within 21 calendar days. A response is considered to be complete if it addresses all issues raised by the Department of Insurance in its inquiry and includes copies of any documentation and claim files requested. In the Department's March 11, 2016 letter to the company, it asked for a copy of the complete claim file. The company's response was not timely sent. Therefore, a violation of this section occurred.
159	Paul B.	7054309	CIC section 790.03h3 x 1	There were long periods of inactivity in the investigation of this claim which resulted in improper delays. This lack of prompt investigation and processing is a violation of CIC 790.03(h)(3).
			CIC section 880 x 2	The correct underwriting company was not identified on any of the company's email correspondence which is a violation of CIC Section 880. Emails are written correspondence from the company and therefore should state the insurer's name. There were a total of two emails sent by the company to the complainant. Therefore, there were a total of three violations found.
160	Veronica B.	7054314	CCR section 2695.5b x2	The company received complainant's completed medical authorization form. The adjuster attempted to contact the complainant by phone to follow up; however, contact was not established. The complainant also sent the company an email message which the company received. However, no response to the email correspondence was provided. In both instances, the company failed to furnish a complete response to the complainant's communications within 15 days after receipt as required by CCR Section 2695.5(b). Therefore, there were a total of two violations found in this claim.
161	Jessee P.	7054357	CCR section 2695.7f x 1	Section 2695.7(f) requires an insurer to provide written notice of applicable statute of limitations. In this case, liability was denied to the claimant. However, no statute of limitations letter was sent. Therefore, one violation of this regulation occurred.

162	Jorge T.	7054364	CCR section 2695.7c1 x 5	Section 2695.7(c)(1) requires that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. In this case, proof of claim was received in the form of a repair estimate. The first written notice of the need for additional time was sent timely. However, since the claim was not denied immediately, continuing notices needed to be sent every 30 days thereafter. Therefore, five violations of this section occurred.
163	Rodolfo R.	7054462	CIC section 11580.011 x 1	Section 11580.011(e) obligates an insurer to ask the claimant, upon the filing of a claim, whether a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of the accident. As the claimant was not asked about the use or presence of a child passenger restraint system, one violation of this statute occurred.
			CCR section 2695.7f x 1	Section 2695.7(f) requires an insurer to provide written notice of applicable statute of limitations. A partial denial was sent to the claimant; however, no statute of limitations letter was sent. Therefore, one violation of this regulation occurred.
164	Rodolphe M.	7054821	CIC section 790.03h3 x 1	Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. The Company received notice of claim. The Company did not extend coverage or handle the claim under a reservation of rights until over four months later when it sent a letter to their insured outlining the liability coverage available under the policy.
			CCR section 2695.5b x 1	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. The claimant sent a communication to the company which was received. The claimant indicated intent to pursue a property damage claim. A response to this communication was due in a timely manner. The company response to the communication was not sent until approximately ten weeks later. After the Department had forwarded a request for assistance from the claimant. Therefore, a violation of this regulation has occurred.

			CCR section 2695.7d x 1	Section 2695.7(d) requires an insurer to conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of the claim dispute. The Company evaluated the claimant's automobile total loss via a series of exterior vehicle photos. The condition of the interior and tires were made based upon the year make, model and mileage of the vehicle. The Company failed to take appropriate steps to verify the condition of the vehicle at the time of the total loss evaluation.
165	Jackson H.	7054854	CCR section 2695.7b x 1	Upon receiving proof of claim, every insurer, except as specified in subsection 2695.7(b)(4) below, shall immediately, but in no event more than forty (40) calendar days later, accept or deny the claim, in whole or in part. The company received a proof of claim in the form of an estimate written by your company. No payment or denial of claim or written status notification was sent to the consumer. Therefore, one violation of Section 2695.7(b) occurred.
			CCR section 2695.7f x 1	Every insurer shall provide written notice of any statute of limitation or other time period requirement upon which the insurer may rely to deny a claim. After review of your company's claim file and log notes, the Statute of Limitation was not explained or sent to the consumer. Therefore, one violation of Section 2695.7(f) occurred.
166	Bridget D.	7054936	CCR section 2695.4a x 1	Section 2695.4(a) states that every insurer will disclose to a first party claimant or beneficiary, all benefits, coverage, time limits or other provisions of any insurance policy issued by that insurer that may apply to the claim presented by the claimant. In review of your claim file, there is no evidence that you disclosed to your insured her applicable coverages. There is also no evidence that written documentation was provided advising them of such. As such, one violation of this regulation occurred.
			CCR section 2695.7d x 1	Section 2695.7(d) states "Every insurer shall conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of claim dispute." In this case, evidence shows, other than two unsuccessful attempts to contact the insured, no further actions were taken to contact the insured until after the Department's intervention. The company's inaction is a violation of this regulation .
167	Thao H.	7055421	CIC section 790.03h3 x 1	No prompt investigation until the claim was intiiated by the company until the claim was reassigned. This lack of prompt processing is a violation of the statute.
			CCR section 2695.7c1 x9	CCR 2695.7(c)(1) requires status letters be sent every 30 days until the claim is accepted or denied upon receipt of proof of claim. The company did not send status letters as required resulting in a total of nine missed letters with each one constituting a separate violation.

168	Miguel A.	7055872	CCR section 2695.7c1 x 1	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by your company in the form of an estimate. The claim was required to be accepted, denied or notice sent in a timely manner. Continuing notice was required every 30 calendar days, the continuing notice was required to be sent timely. The company failed to send a continuing notice timely. Therefore, one violation of this Regulation occurred.
169	Elizabeth Van L.	7056020	CCR section 2695.7c1 x 1	Section 2695.7(c)(1) requires that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. In this case, proof of claim was received in the form of a repair estimate. The first written notice of the need for additional time was sent timely and the second notice was sent. However, the third notice was not timely sent. Therefore, one violation of this section occurred.
170	Louis R.	7056611	CCR section 2695.7b x 1	The complainant submitted his property damage estimate as proof of claim. The company did not send a status letter within 40 days of receipt as required by CCR Section 2695.7(b). Therefore, there was one violation found in this claim.
171	Phil K.	7057112	CCR section 2695.3a x 1	Section 2695.3(a) states that every licensee's claim files shall be subject to examination and shall contain all documents, notes and work papers (including copies of all correspondence) which reasonably pertain to each claim in such detail that pertinent events and the dates of the events can be reconstructed and the licensee's actions pertaining to the claim can be determined. You uploaded your company's response to this Department and your claim file, but your file failed to include a copy of your response to Mr. Kubel as requested in the Department's letter. As such, one violation of this regulation occurred.
			CCR section 2695.5a x 1	Section 2695.5(a) requires licensees to respond within twenty-one (21) days to written and oral inquiries from this Department. Failure to respond within twenty-one days could result in the levy of a monetary penalty for any violation of this section. In reference to Section 2695.5(a), this Department uploaded a letter to Access Insurance Company. As indicated above, your file failed to include a response to Mr. Kubel. As such, your response is late and one violation of this regulation occurred.

172	Esthela M.	7057130	CCR section 2695.7c1 x 1	Section 2695.7(c)(1) requires every insurer to provide the claimant with written notice every 30 calendar days if more time is required than what is allotted in subsection 2695.7(b) to determine whether a claim should be accepted or denied. The written notice shall specify any additional information the insurer requires in order to make a determination and state any continuing reasons for the insurer's inability to make a determination. A written notice regarding the status of the claim was due to be sent to the claiman, but was not sent. Proof of claim was received by Access Insurance Company in the form of a property damage estimate. We also acknowledge the previously sent status letter to the claimant. Therefore, a violation of this section occurred.
173	Geneva A.	7057336	CIC section 790.03h3 x 1	Section 790.03(h)(3) requires an insurer to adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. In this case, it took the company more than four (4) months to disclaim coverage when the company knew the date of loss earlier on in the claims process. Therefore, one (1) violation of this Section occurred.
			CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company in the form of repair estimate for the complainant. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), timely. The claim was not denied in a timely manner. Therefore, one violation of this Section occurred.
			CCR section 2695.7c1 x 3	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, continuing notices were not senthould have been sent. Therefore, three violations of this Section occurred.
174	Alvaro F.	7057588	CCR section 2695.7c1 x5	2695.7(c)(1): Written notice shall be provided every thirty (30) calendar days until a determination is made or notice of legal action is served. Section 2695.7(c)(1) requires that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. In this case, proof of claim was received in the form of an itemized statement reflecting the first date of treatment. The first written notice of the need for additional time was not sent timely. Continuing notices were required to be sent every 30 days. The company failed to send the required notices. Therefore, five violations of this section occurred.

			CIC section 790.03h3 x 1	Section 790.03(h)(3): Failing to adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. The company failed to promptly investigate this claim. Therefore, one violation of statute 790.03(h)(3) occurred.
175	Arianna M.	7057655	CCR section 2695.5 e1 x 1	Section 2695.5(e)(1) states upon receiving notice of claim, every licensee or claims agent shall immediately, but in no event more than fifteen (15) calendar days later acknowledge receipt of such notice to the claimant unless payment is made within the period of time. If the acknowledgement is not in writing, a notation of acknowledgement shall be made in the insurer's claim file and dated. Here, the company received notice of loss from the claimant. An acknowledgement of the claim was required. In review of the claim file notes and correspondence, there was no notation or correspondence sent to the claimant acknowledging the claim. Therefore, one violation of this regulation occurred.
			CCR section 2695.5 e2 x 1	Section 2695.5(e)(2) states upon receiving notice of claim, every licensee or claims agent shall immediately, but in no event more than fifteen (15) calendar days later provide the claimant with the necessary forms, instructions, and reasonable assistance, including but not limited to, specifying the information the claimant must provide for proof of claim. Here, the company received notice of loss from the claimant and a representation letter from the claimant's attorney. The company was required to provide the claimant with the necessary forms, instructions, and reasonable assistance in a timely manner. In review of the claim file notes and correspondence, there was no notation or correspondence sent to the claimant in a timely manner. Therefore, one violation of this regulation occurred.
			CCR section 2695.5b x 6	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected with a complete response based on the facts as then known by the licensee, within 15 calendar days after receipt of the communication. Here, The company did not respond to claimant's attorney's requests for communication on six separate occassions. Therefore, six violations of this regulation occurred.

176	Fanny R.	7058058	CCR section 2695.7d x 1	Section 2695.7(d) requires an insurer to conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of the claim dispute. In this case, the complainant advised the company's adjuster that she was the sole owner of the vehicle and requested the check be sent to her directly. The adjuster requested copy of title. The adjuster also ran the MVR, which confirmed no lienholder and claimant as the sole register owner. However, the company failed to pay the claim until the insured followed up, weeks later. Therefore, a violation of this regulation occurred.
			CCR section 2695.7f x 1	Section 2695.7(f) states that, except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitations. Here, the statute of limitations was not provided. Therefore, a violation of this code occurred.
177	Macie P.	7058091	CIC section 11580.011 x 1	Section 11580.011 (e) states: Upon the filing of a claim pursuant to a policy described in subdivision (b), (c), or (d), unless otherwise determined, an insurer shall have an obligation to ask whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy, and an obligation to replace the child passenger restraint system or reimburse the claimant for the cost of purchasing a new passenger restraint system in accordance with this section if it was in use by a child during the accident or if it sustained a covered loss while in the vehicle. There was no documented evidence that the company's assigned claims representative asked the claimant whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss. Therefore, one violation of this Code Section has occurred.
			CCR section 2695.5 e1 x 1	Section 2695.5(e) (1) requires an insurer to immediately, but in no more than 15 days from receipt of the claim, acknowledge receipt of the claim to the claimant. This claim occurred on 03-08-2016 and the company received notice of this claim on 03-09-2016. An acknowledgement of the company's receipt of this claim was due to be made to the claimant in a timely manner. Since an acknowledgement did not occur timely, a violation of this section has occurred.

			CCR section 2695.5 e2 x 1	Section 2695.5 (e) (2) requires an insurer to immediately, but in no more than 15 calendar days upon receiving notice of claim, provide to the claimant necessary forms, instructions and reasonable assistance, including but not limited to, specifying the information the claimant must provide for proof of claim. This claim occurred on 03-08-2016 and the company received notice of this claim on 03-09-2016. The company was required to provide the claimant any necessary forms, instructions and reasonable assistance in a timely manner. Since these actions were not taken by the company timely, a violation of this section has occurred.
			CCR section 2695.5 e3 x 1	Section 2695.5(e) (3) requires an insurer to immediately, but in no more than 15 calendar days upon receiving notice of claim, begin any necessary investigation of the claim. This claim occurred on 03-08-2016 and your company received notice of claim on 03-09-2016. Since any necessary investigation did not begin timely, a violation of this section has occurred.
178	Karen C.	7058156	CIC section 790.03h3 x 1	California Insurance Section 790.03(h)(3) states that a licensee is not in compliance with this statute if they fail to adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. Here, the comapny's investigation into Proposition 213 issue was not prompt which caused an unreasonable delay in processing the claim. Therefore, one violation of this statute occurred.
179	Adrian I.	7058284	CIC section 790.03h3 x 1	Under Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. In this case, notice of loss was received by the company, and a claims investigation was started the following day. However, there was not claim activity for the next five months Therefore, one violation of this Section occurred.

			CCR section 2695.7b x2	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company in the form of a repair estimate for the complainant. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1). The claim was not denied timely. Therefore, one violation of this Section occurred. Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company in the form of medical records; demands for both co-pay and loss wages reimbursement. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1). The claim was not denied in a timely manner. Therefore, oneviolation of this Section occurred.
			CCR section 2695.7c1 x 2	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, continuing notice should have been sent on timely. However, the company failed to do so. Therefore, one violation of this Section occurred. In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, continuing notice should have been sent timely. No evidence of written notice being sent was found. Therefore, one violation of this Section occurred.
180	James W.	7058527	CIC section 790.03h3 x 1	There were numerous periods of inactivity in the handling of this claim in violation of CIC Section 790.03(h)(3), which requires prompt investigation and processing. There was a long gap before the company's adjuster contacted the complainant to resume investigation of this claim.
			CCR section 2695.7b x 1	The company also did not send the appropriate status letters after the first forty days upon receipt and every thirty days thereafter as required by CCR Sections 2695.7(b) and 2695.7(c)(1).
			CCR section 2695.5b x2	Furthermore, the complainant submitted proof of claim and also sent in additional documentation. The company did not respond to this communication within fifteen days as required by CCR 2695.5(b).
			CCR section 2695.7c1 - x4	Your company also did not send the appropriate status letters after the first forty days upon receipt and every thirty days thereafter as required by CCR Sections 2695.7(b) and 2695.7(c)(1).

181	Yulin C.	7058979	CIC section 790.03h3 x 1	Under Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. There were significant delays in the handling of the claim and no efforts made by the company to bring the claim to a resolution. Therefore, a violation of this statute has occurred.
			CCR section 2695.7c1 - x 12	Section 2695.7(c)(1) requires that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. In this case, proof of claim was received by the company in the form of a repair estimate written for the claimant's vehicle. The first written notice requesting the need for additional time was sent timely by the company. However, since the claim was not paid immediately, continuing notices were required to be sent every 30 days thereafter. The company was required to send numerous notices, but failed to do so. Therefore, twelve violations of this regulation occurred.
182	Eric E. A.	7059447	CCR section 2695.5b x 1	Section 2695.5(b) states that upon receiving any communication from a claimant, regarding a claim, that reasonably suggests that a response is expected, every licensee shall immediately, but in no event more than fifteen (15) calendar days after receipt of that communication, furnish the claimant with a complete response based on the facts as then known by the licensee. In this case, the company received the claimant's written statement and proof of claim. A response was due in a timely manner. No response was ever sent to the claimant. Therefore, a violation of this regulation occurred.
			CCR section 2695.7b x 1	Section 2695.7(b) states that upon receiving proof of claim, every insurer shall immediately, but in no event more than forty (40) calendar days later, accept or deny the claim, in whole or in part. Here, the company received the proof of loss. The claim was required to be accepted or denied timely. The company failed to accept or deny the claim timely; therefore, a violation of this regulation occurred.

			CCR section 2695.7c1 x 1	Section 2695.7(c)(1) states that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted or denied in whole or in part, every insurer shall provide the claimant, within the timeframe specified in subsection 2695.7(b), with written notice of the need for additional time. This written notice shall specify any additional information the insurer requires in order to make a determination and state any continuing reasons for the insurer's inability to make a determination. Thereafter, the written notice shall be provided every thirty (30) calendar days until a determination is made. In this case, proof of claim was received by the company in the form of the estimate. The claim was required to be accepted or denied (or notice sent) timely. No notice was ever sent to the claimant advising of the delay. Also, continuing notices were required every thirty (30) calendar days. Here, no such continuing notices were ever sent to the claimant. Therefore, a violation of this regulation occurred.
183	Brady W.	7059511	CIC section 880 x 1	Section 880 states that every insurer shall conduct its business in this State in its own name. The company emailed the claimant; the correspondence did not indicate the underwriting company's name. Therefore, one violation of this statute occurred.
			CIC section 11580.011 x 1	Section 11580.011(e) obligates an insurer to ask the claimant, upon the filing of a claim, whether a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of the accident. As the claimant was not asked about the use or presence of a child passenger restraint system, one violation of this statute occurred.
			2695.5a x 1	Section 2695.5(a) requires a complete response to department's inquiry within 21 days of receipt. The Department's letter of 04/07/2016 requested a copy of the complete claim file. A complete written response must include copies of any claim file requested. The complete claim file was not received in our office in a timely manner. Therefore, one violation of this regulation occurred.
184	Brenda M.	7059912	CCR section 2695.5 e2 x 1	Section 2695.5(e)(2) requires an insurer to provide necessary claim forms, instructions and reasonable assistance in no later than 15 calendar days from notice of claim. Notice of claim was received by your company, and your company was required to take action under this regulation timely. The claim file provides no documentation to show that any action of this kind was taken and, therefore, a violation of this regulation did occur.
			CCR section 2695.5 e1 x 1	Section 2695.5(e)(1) requires an insurer to acknowledge a notice of claim from a claimant within 15 calendar days. The claim file provides no documentation that indicates the claimant's claim was acknowledged within the required 15 days resulting in one violation of this regulation.

			CCR section 2695.5 e3 x 1	Section 2695.5(e)(3) requires an insurer to begin the investigation no later than 15 calendar days from notice of claim. Again, with the notice of claim received by the company was required to take action under this regulation in a timely manner. The company failed to do so, resulting in a violation of this regulation.
			CCR section 2695.7f x 1	Section 2695.7(f) states that, except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitations or other time period requirement upon which the insurer may rely to deny a claim. Your company partially denied this, but failed to advise the complainant of the statute of limitations. Therefore, one violation of this regulation occurred
185	Miguel B.	7060640	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from proof of claim. Here, proof of claim was received by your company in the form of an estimate. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), timely. The claim was later paid as evidenced by your letter sent to the complainant. Therefore, a violation of this regulation has occurred.
186	Timothy G.	7060882	CIC section 790.03h3 x 1	Section 790.03(h)(3) states that an insurer must adopt and implement reasonable standards for the prompt investigation and processing of insurance claims. In this case, Access Insurance Company stop paid a check that was issued and not received by the complainant. The stop payment was completed; however, a new check was not re-issued timely. Additionally, the company took 4 months to complete a bodily injury evaluation for the complainant. Therefore, one violation of this section occurred.
			CCR section 2695.5b x 1	Section 2695.5(b) requires an insurer to respond to a claimant inquiry within 15 days of receipt. In this case, the complainant sent an e-mail requesting a response regarding his bodily injury settlement. The company failed to respond to the e-mail message. Therefore one violation of this section occurred.
			CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept, deny, or provide written notice outlining the need for additional time to settle a claim within 40 days of receipt of proof of claim. In this case, proof of claim was received in the form of medical bills e-mailed by the complainant. Based on this section, the claim should have been accepted or denied in a timely manner; however, no such notice was given. Therefore, one violation of this section occurred.

			CCR section 2695.7c1 x2	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received in the form of medical bills from the complainant. However, since the claim was not accepted immediately, continuing notice was required every 30 calendar days. Here, no continuing notices were ever sent to the claimant. Therefore, two violation of this regulation occurred.
187	Alfredo C. S.	7061046	CCR section 2695.7b x2	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by your company in the form of an estimate to replace the transmission and camshaft, the other was a tow invoice. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), timely. At no time were the estimates and invoice accepted or denied as required by the regulation. Therefore, two violations of this regulation occurred.

			CCR section 2695.8f3 x 1	Section 2695.8(f)(3) requires that, if a claimant subsequently contends, based upon a written estimate that he or she obtains, that necessary repairs will exceed the written estimate prepared by or for the insurer, the insurer shall: 1) Pay the difference between the written estimate and a higher estimate obtained by the claimant; or, 2) If requested by the claimant, promptly provide the claimant with the name of at least one repair shop that will make the repairs for the amount of the insurer's estimate; or 3) Reasonably adjust any written estimates prepared by the repair shop of the claimant's choice and provide a copy of the adjusted estimate to the claimant and the claimant's repair shop. The adjusted estimate provided to the claimant and the repair shop shall be either an edited copy of the claimant's repair shop estimate or a supplemental estimate based on the itemized copy of the claimant's repair shop estimate. The adjusted estimate shall identify the specific adjustment made to each item and the cost associated with each adjustment made to the claimant's shop's estimate. In this instance, the transmission and camshaft estimate was received by the company. Access Insurance Company had to utilize one of these options and did not. In addition, the company's log notes from their ajuster: "I also discussed many times with the insured that we will not address his body shop's estimates that he keeps sending us." Therefore, one violation occurred.

188	Gregorio Segura	7061749	CCR section 2695.7d x 1	Section 2695.7(d) states, "(d) Every insurer shall conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of a claim dispute." The loss was reported to you on March 1st, 2016. No contact information for the insured was reported with the loss. The company's adjuster made no effort at that time to try and locate the contact information for the insured. It was not until April 25th, 2016 (almost two months after the loss) that efforts to find the insureds contact information were made. At that time a phone number and e-mail were located and attempts made to reach the insured. However, only one attempt was made and then one week later the case was denied for non-cooperation. This was not a thorough or diligent investigation and therefore one (1) violation of this section is alleged.
189	Joseph L.	7062060	CCR section 2695.7d x 1	Section 2695.7(d) requires an insurer to conduct and diligently pursue a thorough, fair and objective investigation. In this case, the complainant provided a witness on 2/22/16. The company's adjuster called the insured on the same day. The insured denied a witness. However, the adjuster advised he would call witness for a statement and assess credibility. However, the adjuster failed to contact the witness and made a liability decision without the witness statement. The first attempt reach the witness was on 4/27/16, after the department's involvement. Furthermore, the complainant called on 3/28/16 and spoke with a supervisor asking for carrier to contact the witness. The supervisor promised to discuss with adjuster and get back to the claimant. However, this was never completed. Therefore, a violation of this regulation has occurred.
190	Vicente P.	7062133	CCR section 2695.7h x 1	2695.7(h) Upon acceptance of the claim in whole or in part and, when necessary, upon receipt of a properly executed release, every insurer, except as specified in subsection 2695.7(h)(1) and (2) below, shall immediately, but in no event more than thirty (30) calendar days later, tender payment or otherwise take action to perform its claim obligation.? In this case on 2/16/16 the Complainant submitted a rental receipt. Payment was due within 30 days on or before 3/18/16. Payment was not made until 5/6/16 which was late. Therefore one (1) violation of this regulation occurred.

191	Amanda W.	7062141	CCR section 2695.5 e2 x 1	Section 2695.5(e) "Upon receiving notice of claim, every insurer shall immediately, but in no event more than fifteen (15) calendar days later, do the following unless the notice of claim received is a notice of legal action. Section 2695.5(e)(2) "provide to the claimant necessary forms, instructions, and reasonable assistance, including but not limited to, specifying the information the claimant must provide for proof of claim" In this case, the Complainant reported the accident on 4/8/16 and on 4/9/16 the claim's representative sent an E-mail acknowledgment to the Complainant. The contents of that E-mail were not described in the file notes, nor was a copy of the E-mail provided along with the claim documents. The company's 5/9/16 file note indicated that the Complainant was asked to provide a recorded statement, a body shop estimate and vehicle photos. A medical authorization form was mailed to the Complainant. These instructions, forms and reasonable assistance should have been addressed immediately but in no event more than fifteen calendar days later, which was 4/25/16. Therefore one (1) violation of this regulation occurred.
			CCR section 2695.5 e3 x 1	Section 2695.5(e)(3) requires an insurer to begin the investigation no later than 15 calendar days from notice of claim. In this case, the company needed to contact both the policyholder and the Complainant in order to confirm the loss description and determine liability. There is no evidence in the file notes that contact and communication was attempted with both these people between 4/8/16 and 5/9/16. Therefore one (1) violation of this regulation occurred.
			CCR section 2695.5b x 1	Section 2695.5(b) Upon receiving any communication from a claimant, regarding a claim, that reasonably suggests that a response is expected, every licensee shall immediately, but in no event more than fifteen (15) calendar days after receipt of that communication, furnish the claimant with a complete response based on the facts as then known by the licensee.? In this case the Complainant's Request for Assistance described repeated attempts being made by telephone between 4/9/16 and 5/9/16 to contact the company and a supervisor. Messages were left, but no one called back. The company's file notes failed to document the Complainant's communication. There is a gap in the investigation during that period of time. Therefore one (1) violation of this regulation occurred.

192	Lamont D.	7062450	2695.5 e3 x 1	Section 2695.5(e)(3) requires an insurer to begin the investigation no later than 15 calendar days from notice of claim. Notice of claim was received by the company on 3/28/16. The company was required to take action under this regulation no later than 4/12/16. In review of the claim file notes, the company did not begin the necessary investigation until 4/28/16. Therefore, one (1) violation of this regulation has occurred.
193	Dennis L.	7062746	2695.5 e2 x 1	Section 2695.5(e)(2) requires an insurer to provide to the claimant necessary forms, instructions, and reasonable assistance, including but not limited to, specifying the information the claimant must provide for proof of claim in no more than fifteen (15) calendar days from the notice of claim. In the department's review of the First Notice of Loss, the complainant's carrier provided the company with the name, address, and phone number for the complainant. The company was required to take action under this regulation no later than 5/3/16. In the department's review of the claim file notes and correspondence, the necessary forms, instruction, and reasonable assistance were not initiated until 5/4/16. Therefore, one (1) violation of this regulation has occurred
			CCR section 2695.5 e3 x 1	Section 2695.5(e)(3) requires an insurer to begin any necessary investigation of the claim in no more than fifteen (15) calendar days from the notice of claim. In the department's review of the First Notice of Loss, the complainant's carrier provided the company with the name, address, and phone number for the complainant. The company was required to take action under this regulation no later than 5/3/16. In the department's review of the claim file notes and correspondence, the claim investigation was not initiated until 5/4/16. Therefore, one (1) violation of this regulation has occurred.
194	Maria D. H.	7062759	CCR section 2695.7f x 1	Section 2695.7(f) requires an insurer to provide written notice of applicable statute of limitations. Liability was denied to the claimant on 04/13/2016, however, no statute of limitations letter was sent. Therefore, one (1) violation of this regulation has occurred.
195	Denise N.	7063188	CIC section 11580.011 x 1	Section 11580.011(e) obligates an insurer to ask the claimant, upon the filing of a claim, whether a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of the accident. As the claimant was not asked about the use or presence of a child passenger restraint system, this statute has been violated.

			CCR section 2695.5b x 1	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within (15) calendar days after receipt of that communication. In this case, the complainant submitted via facsimile on 2/17/16 requesting a reimbursement for the rental claim. A response to this communication was due no later than 3/3/16. The company's response to the communication was not until 5/10/16. Therefore, a violation of this section has occurred.
			CCR section 2695.7h x 1	Section 2695.7(h) requires an insurer to tender payment of claims no later than 30 calendar days from acceptance of claim. Here, liability was accepted on 11/11/15 as evidenced by the company's claim file log notes. claimant's rental claim was received by the company's office on 2/17/16. Payment of this claim was required by 3/18/16. The claim was not paid until 5/13/16. Therefore, a violation of this regulation has occurred.
196	Magdy G.	7063433	CCR section 2695.7c1 x4	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by your company on December 14, 2015 in the form of the claimant's vehicle estimate. Timely notice was sent on January 5, 2016. Also, continuing notice was required every 30 calendar days. Here, the continuing notices were required on February 4, 2016, March 5, 2016, April 4, 2016 and May 4, 2016. No continuing notices were ever sent to the claimant until the denial dated May 24, 2016. Therefore, four (4) violations of this regulation have occurred.
197	Johnathan C.	7063556	CCR section 2695.7c1 x4	Section 2695.7(c)(1) requires that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. In this case, proof of claim was received on 9/29/15 in the form of a subrogation demand from the other carrier. The first written notice of the need for additional time was sent timely on 11/2/15. However, since the claim was not denied until 3/22/16, continuing notice needed to be sent every 30 days thereafter. The next four notices were due to be sent on 12/2/15, 1/1/16, 2/1/16 and 3/2/16. According to the department's review of the claim file, these notices were not sent. Therefore, four violations of this section have occurred.

198	Vickie P.	7063635	CCR section 2695.7f x 1	Section 2695.7(f) states that, except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitations or other time period requirement upon which the insurer may rely to deny a claim. The company denied this claim on 4/7/2016; however, the company did not advise the complainant of the statute of limitations. Not in the denial or acknowledgement letters. Therefore, one (1) violation of this Section has occurred.
199	Bryan Y.	7063703	2695.5a x 1	In reference to Section 2695.5(a), this Department sent a letter to Access Insurance Company on 05-04-2016 and a complete response was considered late on 05-25-2016. The department's letter of 05-04-2016, requested that the company reevaluate its handling of the claim and advise the complainant in writing of the results. The department also asked that it provide us with a complete copy of the claim file. Although the department received correspondence from the company dated 07-01-2016 (on 07-01-2016), the response was not timely. Therefore, a violation of this regulation has occurred.
200	Jeffrey S.	7063775	CCR section 2695.7d x 1	Section 2695.7(d) requires an insurer to conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of the claim dispute. In this case, the claimant's vehicle estimate was received by the company with the department's inquiry on 5/3/16. On 5/10/16, the company's adjuster requested the estimate from the complainant. This request was unnecessary since the company was already in possession of the estimate. Therefore, a violation of this regulation has occurred.
			CIC section 11580.011 x 1	California Insurance Code Section 11580.011 (e) states: Upon the filing of a claim pursuant to a policy described in subdivision (b), (c), or (d), unless otherwise determined, an insurer shall have an obligation to ask whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy, and an obligation to replace the child passenger restraint system or reimburse the claimant for the cost of purchasing a new passenger restraint system in accordance with this section if it was in use by a child during the accident or if it sustained a covered loss while in the vehicle. During the department's review of the submitted claim file there was no documented evidence the assigned claims representative asked the claimant whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy. Therefore, one violation of this California Insurance Code Section has occurred.

201	Jason J.	7063792	CIC section 11580.011 x 1	Section 11580.011(e) states unless otherwise determined, an insurer shall have an obligation to ask whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss that is covered by the policy, and an obligation to replace the child passenger restraint system or reimburse the claimant for the cost of purchasing a new passenger restraint system in accordance with this section if it was in use by a child during the accident or if it sustained a covered loss while in the vehicle. Per review of the claim file documentation provided to this Department, there is no evidence in the file to indicate that you asked whether a child passenger restraint system was in use by a child during an accident or was in the vehicle at the time of a loss. As such, one (1) violation of this code occurred.
202	Teng Ma	7063859	CCR section 2695.7c1 x 4	Pursuant to Section 2695.7(c)(1), continuing notices are required to be sent to the complainant every 30-calendar days. Such written notice shall specify any additional information the insurer requires in order to make a determination and state any continuing reasons for the insurer's inability to make a determination. Here, after receiving proof of claim, the claim representative sent a 40-day status letter to the claimant on 1/13/16 (pursuant to Section 2695.7(b) of the Regulations). Status letters were to be sent to the claimant again (every 30 days) until a decision was reached on the claim. Thus, status letters were due no later than 2/12/16, 3/13/16, 4/12/16 and 5/12/16. However, the company did not send another status letter to the complainant until 5/16/16. Therefore, as the company did not send 30-day status/delay letters to the complainant pursuant to this section, four (4) violations of this regulation have occurred.
203	Aobo Z.	7064063	CCR section 2695.7b1 x 1	Section 2695.7(b)(1) requires all claim denials to be in writing. The writing must provide a detailed description of all factual and legal bases for denial. In this instance, the amount of the rental invoice was for $1,004.60. A check in the amount of $506.36 was issued. The company should have sent a partial denial letter explaining the reason for the partial amount. The company failed to provide this letter to the consumer. Therefore, a violation of this section has occurred.

204	Martin Z.	7064342	CCR section 269537c1 x 1	Section 2695.7(c)(1) states that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. In this case, proof of claim was obtained on 4/1/2016 with the company sending status letters on 4/5/2016 and 5/12/2016. The company missed a status letter that was due on 5/5/2016. Therefore, one (1) violation of this Section has occurred.
205	Damaris H.	7064622	CCR section 2695.7c1 x 1	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by the company on 3/29/16. The claim was required to be accepted or denied (or notice sent) by 5/6/16. A notice of additional time was mailed on 4/11/16. The next noticed was due no later than 5/11/16. However, it was sent late on 5/17/16. Therefore, a violation of this regulation has occurred.
206	Maria P. D.	7064773	CIC section 790.03h3 x 1	Under Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. In this case, the company accepted liability on 4/8/2016; however, the company did not process the property damage claim until 5/23/2016. It was not until the Department intervened, that the property damage payment was processed. Therefore, one (1) violation of this Section has occurred.
			CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company on 3/2/2016 in the form of a repair estimate emailed from the complainant. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), no later than 4/11/2016. The claim was not accepted until 5/23/2016 as evidenced by the claim file. Therefore, one (1) violation of this Section has occurred.
			CCR section 2695.7c1 x 1	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, continuing notice should have been sent on 5/11/2016. The department's review of the claim file found no evidence of written notice being sent. Therefore, one (1) violation of this Section has occurred.

			CCR section 2695.5b x 2	Section 2695.5 (b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected with a complete response based on the facts as then known by the licensee, within 15 calendar days after receipt of the communication. The claimant sent communications to the company via e-mail on 3/16/2016 and 4/12/2016; however, there is no evidence of a company response to these emails within 15 days. Therefore, two (2) violations of this Section have occurred.
207	Dan S.	7065209	CCR section 2695.7d x 1	Section 2695.7(d) requires an insurer to conduct and diligently pursue a thorough, fair and objective investigation. In this case, the company failed to conduct a thorough investigation by not attempting to contact the insured. Only a letter dated February 27, 2016, was mailed to the insured and no further attempts were made until May 11, 2016. Therefore, a violation of this regulation has occurred.
208	Nadine N.	7065232	CCR section 2695.7b1 x 1	Section 2695.7(b)(1) requires every insurer that denies or rejects a third party claim, in whole or in part, or disputes liability or damages shall do so in writing. In this case, the company is accepting 50% liability for this loss. The partial liability denial was in the form of a telephone call to the claimant on 5/10/16. Since this denial was not in writing, a violation of this regulation has occurred.
209	Maris M.	7065414	CIC section 790.03h3 x 1	Under Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. In the department's review of the claim file notes, the company did not make any reasonable attempts between the dates of 4/8/16 - 6/2/16 to resolve the liability dispute and bring the claim to a resolution. Therefore, one (1) violation of this statute has occurred.
			CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company on 4/19/16 in the form of a subrogation demand sent by AAA Insurance Company. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), no later than 5/29/16. In the department's review of the claim file notes and correspondence, there was no notice sent to claimant or claimant's carrier regarding the reasons behind the delay. Therefore, one (1) violation of this regulation has occurred.

210	Kelly R.	7065738	CIC section 790.03h3 x 1	The company failed to adopt reasonable standards for prompt claim investigation and processing in violation of CIC Section 790.03(h)(3). There were several large gaps in handling while liability and exposures were still pending. As an example, there was no activity in the claim from 2/27/16 to 3/31/16, from 3/31/16 to 4/27/16, and from 4/27/16 to 5/25/16. Therefore, a violation of the statute has occurred.
			CCR section 2695.7b x 1	Additionally, proof of claim was received from the other carrier on 4/12/16 however, the company failed to accept, deny, or give notice within forty days of receipt as required by CCR Section 2695.7(b). Therefore, a violation has occurred.
			CCR section 2695.7h x 1	Lastly, since the company already had proof of claim when it accepted liability on 4/27/16, the company was required to take action within thirty days per CCR Section 2695.7(h). Specifically, the company was required to issue payment, make offers, or provide status. Therefore, a violation has occurred.
211	Celia F.	7065962	CIC section 11580.011 x 1	California Insurance Code Section 11580.011(e) obligates an insurer to ask the claimant, upon the filing of a claim, whether a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of the accident. As the claimant was not asked about the use or presence of a child passenger restraint system, a violation of this statute has occurred.
			CCR section 2695.4a x 1	Section 2695.4(a) Every insurer shall disclose to a first party claimant or beneficiary, all benefits, coverage, time limits or other provisions of any insurance policy issued by that insurer that may apply to the claim presented by the claimant. When additional benefits might reasonably be payable under an insured's policy upon receipt of additional proofs of claim, the insurer shall immediately communicate this fact to the insured and cooperate with and assist the insured in determining the extent of the insurer's additional liability. No coverage letter or verbal acknowledgment of coverage was given to the insured. Therefore, a violation of this section has occurred.
			CCR section 2632.13 e1 x 1	Section 2632.13(e)(1) the insurer shall provide written notice to the insured of the result of such investigation, including any determination that the driver was principally at-fault. The notice shall specify the basis of any determination that the accident resulted in bodily injury or death. The notice shall advise the insured of the right to reconsideration of the determination of fault. There is no indication the insured was provided this notification. Therefore, a violation of this regulation has occurred.

212	Fernando V.	7066147	CCR section 2695.5 e1 x 1	Section 2695.5(e)(1) requires an insurer to acknowledge a claim within 15 days from notice of claim. In this case, the claim was reported on 4/20/16. The claim was acknowledged late on 5/20/16, thirty (30) days after notice was given. Therefore, a violation of this regulation has occurred.
			CCR section 2695.5 e2 x 1	Section 2695.5(e)(2) requires an insurer to provide necessary forms, instruction and assistance within 15 days from notice of claim. In this case, this was completed on 5/20/16, thirty (30) days after the claim was reported. Therefore, a violation of this regulation has occurred.
			CCR section 2695.5 e3 x 1	Section 2695.5(e)(3) requires an insurer to begin an investigation within 15 days from notice of claim. In this case, the investigation began 5/20/16, thirty (30) days after notice was given. Therefore, a violation of this regulation has occurred.
			CCR section 2695.5a x 1	Section 2695.5(a) of the Fair Claims Settlement Practices Regulations requires a complete response to a Department of Insurance inquiry within 21 calendar days. A response is considered to be complete if it addresses all issues raised by the Department of Insurance in its inquiry. Part of the complainant's allegations was that the adjuster and his supervisor did not return her phone calls and did not reply to her emails. In the company's response to the Department on June 7, 2016, this was not addressed. Therefore, a violation of this section has occurred.
213	Max C.	7066337	CCR section 2695.5a x 1	Section 2695.5(a) of the Fair Claims Settlement Practices Regulations requires a complete response to a Department of Insurance inquiry within 21 calendar days. A response is considered to be complete if it addresses all issues raised by the Department of Insurance in its inquiry and includes copies of any documentation and claim files requested. The department's June 23, 2016 letter to the company asked for a status update of the claim. A response was due 7/14/16, but received late on 7/24/16. Therefore, one violation of this section has occurred.

			CCR section 2695.7b1 x2	Section 2695.7(b)(1) When an insurer denies or rejects a first party claim, in whole or in part, it shall do so in writing and shall provide to the claimant a statement listing all bases for such rejection or denial and the factual and legal bases for each reason given for such rejection or denial which is then within the insurer's knowledge. Where an insurer's denial of a first party claim, in whole or in part, is based on a specific statute, applicable law or policy provision, condition or exclusion, the written denial shall include reference thereto and provide an explanation of the application of the statute, applicable law or provision, condition or exclusion to the claim. The company's June 6, 2016 denial did not adequately describe the reasons for denial of coverage. Therefore, one violation of this regulation has occurred. Section 2695.7(b)(1) requires all claim denials to be in writing. The company's June 3, 2016 denial was in the form of a telephone call to the claimant. Since this denial was not in writing, one violation of this regulation has occurred.
214	Patricia B.	7066349	CCR section 2695.7c1 x 4	Section 2695.7(c)(1) requires that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. In this case, proof of claim was received on January 20, 2016 in the form of a repair estimate. The first written notice of the need for additional time was sent timely on January 21, 2016. However, since the claim was not denied until June 23, 2016, continuing notice needed to be sent every 30 days thereafter. The next four notices were due to be sent on February 22, 2016, March 23, 2016, April 25, 2016 and May 25, 2016. According to the department's review of the claim file, the notices were not sent. Therefore, four violations of this section have occurred.
215	Ivana L.	7066681	CIC section 790.03h3 x 1	Under California Insurance Code Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. In our review of the claim file notes between the dates of 2/12/16 - 6/1/16, the company's claims staff failed to make any reasonable attempts to contact the insured to confirm the facts of loss in order to bring the claim to a timely resolution. Therefore, one (1) violation of this statute has occurred.

216	Robert C.	7068309	CIC section 790.03h3 x 1	Under California Insurance Code Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. In this case, the claim was reported to your company on 1/26/16. The company's claim representative contacted the complainant on 2/15/16 and secured a statement. There was a period of inactivity from 3/12/16 until 4/23/16 in the handling of the claim. There was no follow up investigation made during the gap on this claim. The company resumed investigation on 4/23/16 and sent correspondences to its insured and subsequently secured a statement from the insured and accepted liability. The company failed to adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. Therefore, one (1) violation of this statute has been violated.
			CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from proof of claim. Here, proof of claim was received by the company on March 12, 2016 in the form of a subrogation demand from claimant carrier. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), no later than April 21, 2016. The department's review of the claim file found no evidence of written notice being sent to claimant carrier. Therefore, one (1) violation of this regulation has occurred.
			CCR section 2695.7c1 x 1	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, continuing notice should have been sent on May 23, 2016. The department's review of the claim file found that the notice was sent on 6/4/16. Therefore, one (1) violation of this regulation has occurred.
217	Rodolfo L.	7069375	CIC section 11580.011 x 1	Section 11580.011(e) obligates an insurer to ask the claimant, upon the filing of a claim, whether a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of the accident. As the claimant was not asked about the use or presence of a child passenger restraint system, this statute has been violated.
			CCR section 2632.13 e1 x 1	Section 2632.13(e)(1) requires that the insurer shall provide written notice to the insured of the result of their investigation which determines that their insured driver was principally at-fault. The notice shall specify the basis of any determination that the accident resulted in bodily injury or death. The notice shall advise the insured of the right to reconsideration of the determination of fault. There is no indication the insured was provided this notification. Therefore, a violation of this regulation has occurred.

218	Veronica L.	7069851	CCR section 2695.7c1 x 2	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by the company on March 15, 2016, in the form of a vehicle estimate. Written notice was sent timely on April 20, 2016. The claim was required to be accepted, denied or notice sent thereafter. Continuing notices were required every 30 calendar days, in this case, notices were required on May 20, 2016 and June 19, 2016. No notices were ever sent to the claimant until the denial dated June 22, 2016. Therefore, two (2) violations of this Regulation have occurred.
219	William H.	7070176	CCR section 2695.5 e1 x 1	Section 2695.5(e)(1) states upon receiving notice of claim, every licensee or claims agent shall immediately, but in no event more than fifteen (15) calendar days later acknowledge receipt of such notice to the claimant unless payment is made within the period of time. If the acknowledgement is not in writing, a notation of acknowledgement shall be made in the insurer's claim file and dated. Here, the company received notice of claim on 4/29/16. An acknowledgement of the claim was required on or before 5/16/16. In review of the claim file notes and correspondence, there was no notation or correspondence sent by the company to the insured acknowledging the claim on or before 5/16/16. Therefore, one (1) violation of this regulation has occurred.
			CCR section 2695.5 e2 x 1	Section 2695.5(e)(2) states upon receiving notice of claim, every licensee or claims agent shall immediately, but in no event more than fifteen (15) calendar days later provide the claimant with the necessary forms, instructions, and reasonable assistance, including but not limited to, specifying the information the claimant must provide for proof of claim. Here, the company received notice of claim on 4/29/16. The company was required to provide the insured with the necessary forms, instructions, and reasonable assistance on or before 5/16/16. In review of the claim file notes and correspondence, there was no notation or correspondence sent to the insured by the company on or before 5/16/16. Therefore, one (1) violation of this regulation has occurred.
			CCR section 2695.5 e3 x 1	Section 2695.5(e)(3) states upon receiving notice of claim, every licensee or claims agent shall immediately, but in no event more than fifteen (15) calendar days later begin any necessary investigation of the claim. Here, your company received notice of claim on 4/29/16. The company was required to begin the investigation on or before 5/16/16. In review of the claim file notes and correspondence, the investigation was not started until 6/13/16. Therefore, one (1) violation of this regulation has occurred.

220	Pasu P.	7070253	CCR section 2695.5b x2	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within (15) calendar days after receipt of that communication. In this case, the complainant submitted an e-mail on 5/16/16 and 6/8/16 requesting a response regarding status of the claim. No response was submitted to the complainant until Access' letter dated 7/1/16. Therefore, two violations of this section have occurred.
			CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company on 4/18/16 in the form of an estimate of repairs for the claimant. This claim was required to be accepted or denied, no later than 5/31/16. The claim was denied on 7/1/16. Therefore, a violation of this regulation has occurred.
221	Kelsey N.	7070291	CCR section 2695.7f x 1	Section 2695.7(f) states that, except where a claim has been settled by payment, every insurer shall provide written notice of any statute of limitations or other time period requirement upon which the insurer may rely to deny a claim. The company denied this claim on 6/3/2016 but unfortunately did not advise the complainant of the statute of limitations. Therefore, one violation of this regulation has occurred.
222	Bahawal S.	7070730	CIC section 790.03h3 x 1	Under Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. Here, ythe company received the notice of claim from the insured 4/13/16, but did not begin the claim investigation until 5/13/16. Additionally, in department's review of the claim file notes and correspondence, there no reasonable efforts made by the company to resolve the liability investigation between the dates of 5/14/16 through 6/30/16. Therefore, one (1) violation of this statute has occurred.
			CCR section 2695.5 e1 x 1	Section 2695.5(e)(1) states upon receiving notice of claim, every licensee or claims agent shall immediately, but in no event more than fifteen (15) calendar days later acknowledge receipt of such notice to the claimant unless payment is made within the period of time. If the acknowledgement is not in writing, a notation of acknowledgement shall be made in the insurer's claim file and dated. Here, the company received notice of claim from the insured on 4/13/16. An acknowledgement of the claim was required on or before 4/28/16. In review of the claim file notes and correspondence, there was no notation or correspondence sent by the company to the insured acknowledging the claim on or before 4/28/16. Therefore, one (1) violation of this regulation has occurred.

			CCR section 2695.5 e2 x 1	Section 2695.5(e)(2) states upon receiving notice of claim, every licensee or claims agent shall immediately, but in no event more than fifteen (15) calendar days later provide the claimant with the necessary forms, instructions, and reasonable assistance, including but not limited to, specifying the information the claimant must provide for proof of claim. Here, the company received notice of claim from the insured on 4/13/16. The company was required to provide the insured with the necessary forms, instructions, and reasonable assistance on or before 4/28/16. In review of the claim file notes and correspondence, there was no notation or correspondence sent to the insured the company on or before 4/28/16. Therefore, one (1) violation of this regulation has occurred.
			CCR section 2695.5 e3 x 1	Section 2695.5(e)(3) states upon receiving notice of claim, every licensee or claims agent shall immediately, but in no event more than fifteen (15) calendar days later begin any necessary investigation of the claim. Here, the company received notice of claim from the insured on 4/13/16. The company was required to begin the investigation on or before 4/28/16. In review of the claim file notes and correspondence, the investigation was not started until 5/13/16. Therefore, one (1) violation of this regulation has occurred.
			CCR section 2695.5b x 1	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. The claimant sent an email communication to the company on 5/27/16 at 8:13am requesting the status of the claim. A response to this communication was required no later than 6/11/16. In review of the claim file notes, correspondence, and emails provided in the company's response, there was no record verifying this communication was responded to on or before 6/11/16. Therefore, one (1) violation of this regulation has occurred.
223	Harlow P.	7071798	CCR section 2695.7c1 x 2	Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by the company on 4/8/16 in the form of the repair estimate. The claim was required to be accepted or denied (or notice sent) by 5/18/16. While the company complied by sending an email providing status on 5/3/16, continuing notice was required every 30 calendar days. Here, the continuing notices were due on 6/2/16 and 7/5/16, but not sent. Therefore, two violations of this regulation have occurred.

224	Manuel/Christian Q.	7072247	CCR section 2695.7c1 x 6	Section 2695.7(c)(1) requires that if more time is required than is allotted in subsection 2695.7(b) to determine whether a claim should be accepted and/or denied, every insurer shall provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time. In this case, proof of claim was received by the company on 11/5/15 in the form of a repair estimate submitted by the insured via email. The first written notice requesting the need for additional time was sent timely on 12/7/15. However, since investigation was still pending, continuing notices were required to be sent every 30 days thereafter. The next six notices were required to be sent 1/6/16, 2/5/16, 3/7/16, 4/6/16, 5/6/16, and 6/6/16. Therefore, six (6) violations of this regulation have occurred.
			CIC section 790.03h3 x 1	Under Section 790.03(h)(3), an insurer must adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. In this case, there was a period of inactivity from 1/29/16 until 6/27/16 in the handling of the claim. There was no follow up investigation made during the gap on this claim. It was not until the department intervened that the company resumed investigation on 6/27/16 and with the additional investigation accepted liability for this loss. The company failed to adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. Therefore, one (1) violation of this statute has been violated.
225	Sean M.	7072382	CCR section 2695.7b1 x 1	Section 2695.7(b)(1) requires all claim denials to be in writing. The company's May 31, 2016 denial was in the form of a telephone call to the claimant. Therefore one violation of Section 2695.7(b)(1) CCR has occurred.
226	Alexis D. D.	7072881	CCR section 2695.7b x 1	Section 2695.7 (b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company on 05-12-2016 in the form of a property damage estimate of repair dated 05-12-2016. This claim was required to be accepted or denied, or notice sent per 2695.7(c) (1), no later than 06-21-2016. The company's status letter dated 07-13-2016 to the claimant's Attorney of record was not sent within 40 days from proof of claim. Due to the above one violation of this regulation has occurred.

227	Cong L.	7073054	CCR section 2695.5a x 1	Section 2695.5(a) requires a complete response to a California Department of Insurance inquiry within 21 days of its receipt. The Department's letter of 6/24/2016 requested a copy of the complete claim file. A complete written response must include copies of any claim file requested. A complete written response was considered late on 7/15/2016. The complete claim file was not received in our office until 7/25/2016. Therefore, one (1) violation of this Section has occurred.
			CCR section 2695.5b x 2	Section 2695.5 (b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected with a complete response based on the facts as then known by the licensee, within 15 calendar days after receipt of the communication. The complainant sent communications to the company via fax on 2/23/2016 and 4/28/2016. The company did not respond to these communications until 3/25/2016 and 6/8/2016, respectively. Therefore, two (2) violations of this Section have occurred.
228	Larry B.	7073095	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by the company via fax on 03-31-2016 in the form of a property damage estimate of repairs dated 01-22-2016. This claim was required to be accepted or denied, or notice sent per 2695.7(c) (1), no later than 05-10-2016. The claim was finally accepted on 07-20-2016 which was beyond the 05-10-2016 due date. Therefore, a violation of this regulation has occurred.
			CCR section 2695.7c1 x 2	Section 2695.7(c)(1) requires every insurer to provide the claimant with written notice every 30 calendar days if more time is required than what is allotted in subsection 2695.7(b) to determine whether a claim should be accepted or denied. The written notice shall specify any additional information the insurer requires in order to make a determination and state any continuing reasons for the insurer's inability to make a determination. Written notices regarding the status of the claim were due to be sent to the claimant by 06-09-2016 & 07-11-2016, but were not sent. Therefore, two violations of this section have occurred.
229	Gerard C.	7073984	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim (medical billing) was received by the company on 10/27/14, as noted by the claim file. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), no later than 12/8/14. However, this was never completed. Therefore, a violation of this regulation has occurred.

			CCR section 2695.5b x 3	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. In this case, the claimant sent emails on 10/13/15 and 10/16/15. Responses were due on 11/3/15 and 11/6/15, respectively. However, the responses were never completed. Furthermore, a third email was sent by the complainant on 4/8/16. A response was due no later than 4/29/16. The company's response was completed 7/18/16 (about three months later). Therefore, three (3) violations of this regulation have occurred.
			CCR section 2695.7c1 x13	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, continuing notices should have been sent on 1/7/15, 2/9/15, 3/11/15, 4/10/15, 5/11/15, 6/10/15, 7/10/15, 8/10/15, 9/9/15, 10/12/15, 11/15/15, 12/11/15 & 1/11/16. The department's review of the claim file found no evidence of these written notices being sent. Therefore, thirteen (13) violations of this regulation have occurred.
230	Jorge F.	7074056	CIC section 790.03h3 x 1	There was a clear lack of prompt processing in the handling of this claim as required by CIC Section 790.03(h)(3). There was no activity in the claim from 5/12/16-7/5/16 and initial contact with the complainant was not attempted until 7/6/16. Therefore, one violation of this statute has occurred.
			CCR section 2695.5b x2	The complainant sent correspondence to the company on 5/23/16 and 6/8/16. However, the company failed to respond to these communications within fifteen days as required by CCR Section 2695.5(b).
231	Yessica M.	7074069	CCR section 2695.5b x 1	Section 2695.5 (b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected with a complete response based on the facts as then known by the licensee, within 15 calendar days after receipt of the communication. The claimant sent a communication to the company via e-mail on April 13, 2016. The department's review of the claim file found no evidence of response being sent until complainant contacted the Department. Therefore, a violation of this regulation has occurred.
232	William C.	7074299	CCR section 2695.7b x 1	Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from proof of claim. Here, proof of claim for Bodily Injury was received by the company on 04/24/16 in the form of Medical Statement. This claim was required to be accepted or denied, or notice sent per 2695.7(c)(1), no later than 06/03/16. The claim was not accepted until 07/27/16 as evidenced by the company's Bodily Injury offer with release. Therefore, a violation of this regulation has occurred.

			CCR section 2695.7c1 x 1	In addition to sending notice after 40 days, Section 2695.7(c)(1) also requires an insurer to provide continuing notice to a claimant, in writing, every 30 days thereafter. In this case, continuing notice should have been sent on 07/05/2016. The department's review of the claim file found that written notice was not sent at all. Therefore, one (1) violation of this regulation has occurred.
			CCR section 2695.5b x 1	Section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. In this case the Medical Statement for the claimant was received on 04/24/2016 and was not responded to until 07/27/2016. Therefore, one (1) violation of this regulation has occurred.

Summary Table of Violations

Alleged Violation(s)	Description	Total Violations Alleged
CIC §790.03(h)(1)	Code Section §790.03(h)(1) prohibits misrepresentation to claimants pertinent facts or insurance policy provisions relating to any coverages at issue.	2
CIC §790.03(h)(2)	CIC Section 790.02(h)(2) prohibits a company from failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies	1
CIC §790.03(h)(3)	Code Section §790.03(h)(3) requires the company adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies.	40
CIC §790.03(h)(5)	Code Section §790.03(h)(5) requires the company effectuate prompt, fair and equitable settlements of claims in which liability had become reasonably clear.	4
CIC §880/CIC §790.03(h)(3)	Code Section §880 requires the company to conduct business in its own name.	3
CIC §11580.011(e)	California Insurance Code Section 11580.011(e) obligates an insurer to ask the claimant, upon the filing of a claim, whether a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of the accident. The insurer also has an obligation to replace the child passenger restraint system or reimburse the claimant for the cost of purchasing a new passenger restraint system.	34

EXHIBIT 1 - 100

CCR §2632.13(e)(1) / §790.03(h)(3)	(e) An insurer providing insurance coverage at the time of an accident shall not make a determination that a driver was principally at-fault for an accident, other than an indisputably solo vehicle accident and which is not of the type specified in subpart (d), unless the insurer first does the following: (1) the insurer shall make an investigation of the accident; (2) the insurer shall provide written notice to the insured of the result of such investigation, including any determination that the insured was principally at fault. The notice shall specify the basis of any determination that a driver was principally at fault. The notice shall advise the insured of the right to reconsideration of the determination of fault, as set forth for in Subsection (e)(3); (3) Within 30 days of receipt by the insured of a written notice required by Subsection (e)(2), the insured may request reconsideration of the insurer's determination that the insured was principally at-fault. The insurer shall provide written notice of its decision upon reconsideration within 30 days of the insured's request therefor and the notice shall state the reasons for its decision upon reconsideration. The reconsideration shall be made by an employee or agent of the insurer other than the employee or agent who made the determination being reconsidered. The right to reconsideration set forth herein shall not affect any other rights of the insured.	4
CCR §2695.3(a)/ CIC §790.03(h)(3)	Regulation Section §2695.3(a) requires the company to maintain all documents, notes and work papers which reasonably pertain to each claim in such detail that pertinent events and the dates of the events can be reconstructed	5
CCR §2695.4(a)/CIC §790.03(h)(1)	Regulation Section §2695.4(a) requires the company to immediately advise the insured when additional benefits under the policy might be payable with additional proofs of claim and assist the insured in determining the extent of the insurer’s additional liability.	4

CCR §2695.5(a)/CIC §790.03(h)(2)	Regulation Section §2695.5(a) requires the company to respond within twenty-one (21) days to written or oral inquiries from the Department. A complete response addresses all issues raised by the Department of Insurance in its inquiry and includes copies of any documentation and claim files requested.	29
CCR §2695.5(b)/CIC §790.03(h)(3)	Regulation Section §2695.5(b) requires the company to respond to communications from claimants within 15 calendar days.	93
CCR §2695.5(e)(1)/CIC §790.03(h)(3)	Regulation Section §2695.5(e)(1) requires the company to acknowledge notice of claim within 15 calendar days.	6
CCR §2695.5(e)(2)/CIC §790.03(h)(3)	Regulation Section §2695.5(e)(2) requires the company to provide necessary forms, instructions, and reasonable assistance within 15 calendar days.	10
CCR §2695.5(e)(3) /CIC §790.03(h)(3)	Regulation Section §2695.5(e)(3) requires the company to begin investigation of the claim within 15 calendar days.	11
CCR §2695.7(b)/CIC §790.03(h)(3)	Regulation Section §2695.7(b) requires the company, upon receiving proof of claim, to accept or deny the claim within 40 calendar days.	64
CCR §2695.7(b)(1)/CIC §790.03(h)(3)	Regulation Section §2695.7(b)(1) requires the company provide a denial in writing.	8
CCR §2695.7(b)(3)/CIC §790.03(h)(3)	Regulation Section §2695.7(b)(3) requires the company to include a statement in its claim denial that, if the claimant believes the claim has been wrongfully denied or rejected, he or she may have the matter reviewed by the California Department of Insurance.	1
CCR §2695.7(c)(1)/CIC §790.03(h)(3)	Regulation Section §2695.7(c)(1) requires the company to provide written notice of the need for additional time or information every 30 calendar days.	257
CCR §2695.7(d)/CIC §790.03(h)(3)	Regulation Section §2695.7(d) requires the company to conduct and diligently pursue a thorough, fair and objective investigation.	33
CCR §2695.7(f)/CIC §790.03(h)(3)	Regulation Section §2695.7(f) requires the company to provide written notice of any statute of limitation or other time period requirement upon which the insurer may rely to deny a claim.	27
CCR §2695.7(h)/CIC §790.03(h)(5)	Regulation Section §2695.7(h) requires the company, upon acceptance of the claim, to tender payment within 30 calendar days.	23

CCR §2695.8(b)(1)/CIC §790.03(h)(5)	Regulation Section §2695.8(b)(1) specifies the company include, in the settlement, the license fee and other annual fees computed based upon the remaining term of the current registration.	5
CCR §2695.8(b)(2)/CIC §790.03(h)(3)	Regulation Section §2695.8(b)(2) specifies that a comparable automobile must have been available for retail purchase by the general public in the local market area within 90 days of the final settlement offer. (1) Regulation Section 2695.8(b)(2) also specifies that the actual cost for a comparable vehicle shall not include any deduction for the condition of a loss vehicle unless the documented condition of the loss vehicle is below average for that particular year, make and model of vehicle. (1)	2
CCR §2695.8(f)/CIC §790.03(h)(3)	Regulation Section §2695.8(f) requires the that the estimate prepared by or for the insurer shall be of an amount that will allow for repairs to be made in accordance with accepted trade standards for good and workmanlike automotive repairs by an “auto body repair shop” as defined in section 9889.51 of the Business and Professions Code.	1
CCR §2695.8(f)/CIC §790.03(h)(3)	Regulation Section §2695.8(f) requires the company to supply the claimant with a copy of the estimate upon which the settlement was based.	1
CCR §2695.8(f)(3)/CIC §790.03(h)(3)	Regulation Section §2695.8(f)(3) requires the company to reasonably adjust any written estimates prepared by the repair shop of the claimant’s choice if the claimant contends, based upon a written estimate he or she obtains, that necessary repairs will exceed the written estimate prepared for by the Company.	2
CCR 2695.8(j)/CIC 790(h)(3)	(j) In a first party partial loss claim, the expense of labor necessary to repair or replace the damage is not subject to depreciation or betterment unless the insurance contract contains a clear and unambiguous provision permitting the depreciation of the expense of labor.	2

232 Files
672 Alleged Violations

EXHIBIT 1 - 103

CDI - EXHIBIT #2

[IN ACCORDANCE WITH CALIFORNIA INSURANCE CODE (CIC) SECTION 12938, THIS REPORT WILL BE MADE PUBLIC AND PUBLISHED ON THE CALIFORNIA DEPARTMENT OF INSURANCE (CDI) WEBSITE]

WEBSITE PUBLISHED REPORT OF THE TARGETED MARKET CONDUCT EXAMINATION OF THE CLAIMS PRACTICES OF

ACCESS GENERAL INSURANCE COMPANY
NAIC # 11711

AS OF DECEMBER 31, 2016

ADOPTED JUNE 21, 2017

STATE OF CALIFORNIA

CALIFORNIA DEPARTMENT OF INSURANCE
MARKET CONDUCT DIVISION
FIELD CLAIMS BUREAU

790.03 v5 02-16-16

NOTICE

The provisions of Section 735.5(a) (b) and (c) of the California Insurance Code (CIC) describe the Commissioner's authority and exercise of discretion in the use and/or publication of any final or preliminary examination report or other associated documents. The following examination report is a report that is made public pursuant to California Insurance Code Section 12938(b)(1) which requires the publication of every adopted report on an examination of unfair or deceptive practices in the business of insurance as defined in Section 790.03 that is adopted as filed, or as modified or corrected, by the Commissioner pursuant to Section 734.1.

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FOREWORD

This report is written in a "report by exception" format. The report does not present a comprehensive overview of the subject insurer's practices. The report contains a summary of pertinent information about the lines of business examined, details of the non-compliant or problematic activities that were discovered during the course of the examination and the insurer's proposals for correcting the deficiencies. When a violation that reflects an underpayment to the claimant is discovered and the insurer corrects the underpayment, the additional amount paid is identified as a recovery in this report.

While this report contains violations of law that were cited by the examiners, additional violations of CIC § 790.03 or other laws not cited in this report may also apply to any or all of the non-compliant or problematic activities that are described herein.

All unacceptable or non-compliant activities may not have been discovered. Failure to identify, comment upon or criticize non-compliant practices in this state or other jurisdictions does not constitute acceptance of such practices.

Alleged violations identified in this report, any criticisms of practices and the Company's responses, if any, have not undergone a formal administrative or judicial process.

This report is made available for public inspection and is published on the California Department of Insurance website (www.insurance.ca.gov) pursuant to California Insurance Code section 12938(b)(1).

SCOPE OF THE EXAMINATION

Under the authority granted in Part 2, Chapter 1, Article 4, Sections 730, 733, and 736, and Article 6.5, Section 790.04 of the California Insurance Code; and Title 10, Chapter 5, Subchapter 7.5, Section 2695.3(a) of the California Code of Regulations, a targeted examination was made of the claim handling practices and procedures in California of:

Access General Insurance Company
NAIC # 11711

Hereinafter, the Company listed above also will be referred to individually as AGIC, or the Company.

This examination covered the claim handling practices of the aforementioned Company on Personal Automobile third party liability claims paid during the period from January 2016-August 2016 and closed without payment from January 2013- December 2016; and third party claims pending as of December 31, 2016. The examination was made to discover, in general, if these and other operating procedures of the Company conform to the contractual obligations in the policy forms, the California Insurance Code (CIC), the California Code of Regulations (CCR) and case law.

To accomplish the foregoing, the examination included:

1. A review of the guidelines, procedures, training plans and forms adopted by the Company for use in California including any documentation maintained by the Company in support of positions or interpretations of the California Insurance Code, Fair Claims Settlement Practices Regulations, and other related statutes, regulations and case law used by the Company to ensure fair claims settlement practices.

2. A review of the application of such guidelines, procedures, and forms, by means of an examination of a sample of individual claim files and related records.

3. A review of the California Department of Insurance's (CDI) market analysis results; and if any, a review of consumer complaints and inquiries about this Company closed by the CDI during the period January 1, 2016 through December 31, 2016; a review of previous CDI market conduct claims examination reports on this Company; and a review of prior CDI enforcement actions.

The review of the sample of individual claim files was conducted at the offices of the California Department of Insurance in Los Angeles, California. An operational on-site review of the Company was also conducted at the Company's claims office in Atlanta, Georgia on April 25-27, 2017.

EXECUTIVE SUMMARY

The Personal Automobile liability claims reviewed were closed from January 1, 2013 through December 31, 2016, referred to as the "review period", or pending as of December 31, 2016. The examiners randomly selected 283 AGIC liability claim files for examination. The examiners cited 716 alleged claims handling violations of the California Insurance Code and the California Code of Regulations from this sample file review.

The Company was the subject of 815 California consumer complaint and inquiries closed from January 1, 2016 through December 31, 2016, in regard to the personal automobile line of business reviewed in this examination. Of the complaints and inquiries, the CDI determined that 261 were justified including claim handling delay, improper denial, unsatisfactory settlement offer and payment delay.

Findings of this examination included, among other things, the failure to respond to communications within 15 calendar days; the failure to provide written notice of the need for additional time or information every 30 calendar days; the failure upon receiving proof of claim, to accept or deny the claim within 40 calendar days; and the failure to adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies.

In September of 2014, the California Department of Insurance (CDI) filed an Amended Order to Show Cause (OSC) alleging that the Company engaged in or was engaging in, unfair methods of competition or unfair or deceptive acts or practices in addition to other unlawful acts related to claim handling. By order signed September 11, 2014, the CDI and the Company entered into a Stipulation and Waiver whereby the Company agreed to pay a penalty of $25,000 and an additional $50,000 in costs incurred by the CDI in investigating and prosecuting the matter, and agreed to take corrective action with regard to the violations alleged in the OSC. The acts that were

subject of this 2014 OSC and Stipulation and Waiver agreement were the same as, or substantially similar to, unfair or deceptive/unlawful acts alleged in the current targeted examination.

DETAILS OF THE CURRENT EXAMINATION

Further details with respect to the examination and alleged violations are provided in the following tables and summaries:

AGIC SAMPLE FILES REVIEW			
LINE OF BUSINESS / CATEGORY	**CLAIMS IN REVIEW PERIOD**	**SAMPLE FILES REVIEWED**	**NUMBER OF ALLEGED VIOLATIONS**
Personal Automobile / Property Damage Liability	144,844	283	716
TOTALS	144,844	283	716

TABLE OF TOTAL ALLEGED VIOLATIONS

Citation	Description of Allegation	AGIC Number of Alleged Violations
CCR §2695.7(c)(1) *[CIC §790.03(h)(3)]	The Company failed to provide written notice of the need for additional time or information every 30 calendar days.	219
CCR §2695.5(b) *[CIC §790.03(h)(2)]	The Company failed to respond to communications within 15 calendar days.	170
CIC §790.03(h)(3)	The Company failed to adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies.	131
CCR §2695.7(b) *[CIC §790.03(h)(3)]	The Company failed, upon receiving proof of claim, to accept or deny the claim within 40 calendar days	64
CCR §2695.8(d) *[CIC §790.03(h)(5)]	The Company recommended that a third party claimant make a claim under his or her own policy to avoid paying the claim.	31
CCR §2695.7(h) *[CIC §790.03(h)(5)]	The Company failed, upon acceptance of the claim, to tender payment within 30 calendar days.	22
CCR §2632.13(e)(1) *[CIC §790.03(h)(3)]	The Company failed to properly advise the insured that the driver of the insured vehicle was principally at fault for an accident. The determination of fault letter was not sent.	20
CCR §2695.7(d) *[CIC §790.03(h)(3)]	The Company failed to conduct and diligently pursue a thorough, fair and objective investigation.	16
CCR §2695.3(a) *[CIC §790.03(h)(3)]	The Company failed to maintain all documents, notes and work papers which reasonably pertain to each claim in such detail that pertinent events and the dates of the events can be reconstructed.	11
CIC §11580.011(e) *[CIC §790.03(h)(5)]	The Company failed to ask if a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of a loss that was covered by the policy, and failed to reimburse the claimant for the cost of purchasing a new child passenger restraint system.	10

Citation	Description of Allegation	AGIC Number of Alleged Violations
CIC §790.03(h)(1)	The Company misrepresented to claimants pertinent facts or insurance policy provisions relating to any coverages at issue.	9
CCR §2695.8(f) *[CIC §790.03(h)(3)]	The Company failed to supply the claimant with a copy of the estimate upon which the settlement was based.	4
CCR 2695.7(b)(1) *[CIC §790.03(h)(3)]	The Company failed to deny, dispute or reject a third party claim in writing.	3
CCR §2695.7(g) *[CIC §790.03(h)(5)]	The Company attempted to settle a claim by making a settlement offer that was unreasonably low.	3
CCR §2695.8(k) *[CIC §790.03(h)(5)]	The Company failed to provide reaso20nable notice to a claimant before terminating payment for storage charges.	1
CCR §2695.5(e)(3) *[CIC §790.03(h)(3)]	The Company failed to begin investigation of the claim within 15 calendar days.	1
General Finding CIC §790.03(h)(3)	The Company failed to adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies.	1
Total Number of Alleged Violations		**716**

***DESCRIPTIONS OF APPLICABLE UNFAIR CLAIMS SETTLEMENT PRACTICES**

CIC §790.03(h)(2)	The Company failed to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies.
CIC §790.03(h)(3)	The Company failed to adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies.
CIC §790.03(h)(5)	The Company failed to effectuate prompt, fair, and equitable settlements of claims in which liability had become reasonably clear.

TABLE OF ALLEGED VIOLATIONS BY LINE OF BUSINESS

PERSONAL AUTOMOBILE **AGIC 2015 Written Premium: $144,967,168** **AMOUNT OF RECOVERIES $67,945.59**	**NUMBER OF ALLEGED VIOLATIONS**
CCR §2695.7(c)(1)[CIC §790.03(h)(3)]	219
CCR §2695.5(b) [CIC §790.03(h)(2)]	170
CIC §790.03(h)(3)	131
CCR §2695.7(b) [CIC §790.03(h)(3)]	64
CCR §2695.8(d) [CIC §790.03(h)(5)]	31
CCR §2695.7(h) [CIC §790.03(h)(5)]	22
CCR §2632.13(e)(1) [CIC §790.03(h)(3)]	20
CCR §2695.7(d)[CIC §790.03(h)(3)]	16
CCR §2695.3(a) [CIC §790.03(h)(3)]	11
CIC §11580.011(e) [CIC §790.03(h)(5)]	10
CIC §790.03(h)(1)	9
CCR §2695.8(f) [CIC §790.03(h)(3)]	4
CCR §2695.7(g) [CIC §790.03(h)(5)]	3
CCR 2695.7(b)(1) [CIC §790.03(h)(3)]	3
CCR §2695.8(k) [CIC §790.03(h)(5)]	1
CCR §2695.5(e)(3) [CIC §790.03(h)(3)]	1
General Finding CIC §790.03(h)(3)	1
TOTAL	**716**

SUMMARY OF EXAMINATION RESULTS

The following is a brief summary of the criticisms that were developed during the course of this examination related to the violations alleged in this report.

In response to each criticism, the Company is required to identify remedial or corrective action that has been or will be taken to correct the deficiency. The Company is obligated to ensure that compliance is achieved.

Any noncompliant practices identified in this report may extend to other jurisdictions. The Company should address corrective action for other jurisdictions when applicable.

Money recovered within the scope of this report to date was $67,945.59 as described in section numbers 2, 4, 6, 8, 10 and 14 below. The total amount of money to be returned to claimants within the scope of this report is pending.

PERSONAL AUTOMOBILE

1. In 219 instances, the Company failed to provide written notice of the need for additional time or information every 30 calendar days. The Company received subrogation demands, requests and follow-ups for settlement, and/or demands for payment from adverse claimant carriers. The Company failed to provide written notices of the need for additional time, and/or regular status updates of the claim within regulatory timelines. The Department alleges these acts are in violation of CCR §2695.7(c)(1) and are unfair practices under CIC §790.03(h)(3).

Summary of the Company's Response: The Company acknowledges the findings of the Department and agrees that written notice of the need for additional time or information was not provided every 30 days in these instances. The Company states that it is their policy and procedure to follow the California Code of Regulations and the Fair Claims Settlement Practices Regulations. All new hires receive training and annual certification is required of all claims employees.

A training memorandum was sent to claims staff on April 13, 2017 to ensure regulatory compliance. In addition, the Company has adopted a Continuous Improvement Plan to change claims handling habits, attitudes and skills through:

- Technology enhancements such as a system upgrade from the Company's old C4 to the updated C5 system.
- Hiring of additional claim staff to increase from 86 to current 129 staff
- Improved workflows/processes such as Manager Touchpoints throughout the life of the claim file.
- Annual Training on the California Fair Claims Practices Regulations prior to September 1 of each year.
- Quality Assurance with increased team members and targeted audits.

The Company also observed that these 219 instances were comprised primarily of cases involving subrogation demands, and states that it does not believe the law cited requires the Company to provide written notice of the need for additional time or information every 30 calendar days to adverse claimant carriers. However, the Company agreed, as a matter of business practice, to adhere to a policy and procedure to provide such notice in these cases.

Summary of the Department's Evaluation of the Company's Response: The Company has not provided details regarding the content of the policy and procedure it has agreed to implement, or the date upon which the procedure will be implemented.

2. In 170 instances, the Company failed to respond to communications within 15 calendar days. In 152 instances, the Company did not respond to contact requests, communications, and correspondence including demands for reimbursement and follow-up inquiries for settlement and/or status. In the remaining 18 instances, the Company delayed its responses beyond the regulatory timelines. The Department alleges these acts are in violation of CCR §2695.5(b) and are unfair practices under CIC §790.03(h)(2).

Summary of the Company's Response: The Company states that most of these instances relate to subrogation demands, and that it does not believe the Company is required to comply with the requirements in the law cited with respect to adverse claimant carriers.

With respect to communications from a party who is not an adverse claimant carrier, the Company acknowledges there were a limited number of instances in which communications were not responded to within 15 calendar days. In three of these instances, the claims were re-opened and the Company issued payments of $14,760.00. The Company states that it is their policy and procedure to follow the California Code of Regulations and the Fair Claims Settlement Practices Regulations. All new hires receive training and annual certification is required of all claims employees. Proof of training on the regulation is pending.

Summary of the Department's Evaluation of the Company's Response: The Company has not provided its commitment to respond to communications from adverse claimant carriers within 15 calendar days. Therefore, this is an unresolved issue that may result in administrative action.

3. In 131 instances, the Company failed to adopt and implement reasonable standards for the prompt investigation and processing of claims arising under insurance policies. These deficiencies include the following:

a) The Company failed to adequately provide for a system of maintaining and/or keeping "open" its property damage (PD) liability features to reflect its claim financial exposure. In addition, the Company's methodology of "opening and closing reserves" is conducted as a processing tool only. This process fails to actually recognize and establish the potential of liability in order to meet the obligations on the policy for settlement of third party claims.

b) The Company prematurely closes claims without complying with supervisory instructions to complete the investigation. The directives include the transmittal of Reservation of Rights (ROR) notices to non-cooperative insureds.

c) The examination revealed wide gaps in significant claim activity resulting in the Company's failure to expedite the claim to a timely determination and conclusion.

d) The Company does not have a consistent diary system in place to keep liability claims in active status for prompt processing and monitoring of claims.

The Department alleges these acts are in violation of CIC §790.03(h)(3).

Summary of the Company's Response: The Company agrees that claims were left off its claim diary system and were not properly handled by its claims staff. This included the premature closing of reserves or entire claim; the failure to re-open the claim reserves in instances of clear liability and damages; the extended periods of claim inactivity with no follow-up to settle the claims; and the failure to comply with supervisory directives on claims handling. In these instances, the Company has reviewed handling with the involved adjuster and manager regarding compliance to regulations and processes.

As to the establishment of claim reserves, the Company indicates that it is at the discretion of the adjusters to set up manual reserves. The Company states that many of the instances cited in the examination relate to subrogation demands, and that it does not believe that such cases are subject to the law cited by the Department. Regardless, the Company states that it agrees that all known claims and subrogation demands should carry reserves derived on an empirical basis for the life of the claim or subrogation demand. The Company states that significant additions to staff have been

made since the review period of the examination and additional adjuster training is on-going regarding the reserving process. The Company states that it strives to maintain adequate reserves for all claims and subrogation demands on a continuing basis.

Summary of the Department's Evaluation of the Company's Response: The Company has not provided specific corrective action plans, or dates by which corrective actions will be taken regarding the issues described in sections a), b), c), and d). Claims were improperly closed without management oversight and/or approval. Therefore, this is an unresolved issue that may result in administrative action.

4. In 64 instances, the Company failed, upon receiving proof of claim, to accept or deny the claim within 40 calendar days. In 56 instances, the Company did not accept or deny the claim upon receipt of proof of loss. In the remaining eight instances, the Company delayed accepting or denying the claim outside of regulatory timelines. The Department alleges these acts are in violation of CCR §2695.7(b) and are unfair practices under CIC §790.03(h)(3).

Summary of the Company's Response: The Company acknowledges the findings and reopened four claims to issue settlement in the amount of $16,482.46. The Company also states that it is continuing to review other claims for settlements but has not provided the Department with proof of additional payments. The Company states that it is their policy and procedure to follow the California Code of Regulations and the Fair Claims Settlement Practices Regulations. All new hires receive training and annual certification is required of all claims employees.

A training memorandum was sent to the claims staff on August 10, 2016 and April 13, 2017 to ensure regulatory compliance. In addition, the Company has adopted a Continuous Improvement Plan to change claims handling habits, attitudes and skills through:

- Technology enhancements such as a system upgrade from the Company's old C4 to the updated C5 system.
- Hiring of additional claim staff to increase from 86 to current 129 staff
- Improved workflows/processes such as Manager Touchpoints throughout the life of the claim file.
- Annual Training on the California Fair Claims Practices Regulations prior to September 1 of each year.
- Quality Assurance with increased team members and targeted audits.

The Company also states that most of the instances cited involved subrogation demands, and states that it does not believe the law cited requires the Company to accept or deny such demands from adverse claimant carriers within 40 days. However, the Company agreed, as a matter of business practice, to adhere to a policy and procedure to accept or deny subrogation demands within 40 days.

Summary of the Department's Evaluation of the Company's Response: The Company has not provided details regarding the content of the policy and procedure it has agreed to implement, or the date upon which the procedure will be implemented.

5. In 31 instances, the Company recommended that a third party claimant make a claim under his or her own policy to avoid paying the claim. At the onset of the claim, the Company transmits its "CORM-Mitigation Letter" to claimants strongly suggesting to the claimant that he/she files a claim with their own insurance carrier. The Company failed to recognize its potential and/or clear liability on these pertinent claims. The Department alleges these acts are in violation of CCR §2695.8(d) and are unfair practices under CIC §790.03(h)(5).

Summary of the Company's Response: The Company indicates that these mitigation letters are not meant to discourage the presentation of claims, but rather to provide another avenue for claimants to submit their claims to their own carriers. During the onsite visit by the Department, the Company states that it will review its template letter to consider amending the language on its mitigation letter.

Summary of the Department's Evaluation of the Company's Response: The Company did not provide corrective action to be in regulatory compliance. Therefore, this is an unresolved issue that may result in administrative action.

6. In 22 instances, the Company failed, upon acceptance of the claim, to tender payment within 30 calendar days. The Company failed to pay promptly on claims with undisputed liability determination. These included claims with signed releases and claims with adverse intercompany arbitration awards against the Company. The Department alleges these acts are in violation of CCR §2695.7(h) and are unfair practices under CIC §790.03(h)(5).

Summary of the Company's Response: The Company acknowledges the findings and states that it does not pay intercompany arbitration awards until such time that they choose to accept the award. In pertinent instances, the Company reopened the claims to issue payment, and/or to send Property Damage Releases to third party claimants. As a result of the examination, the Company reopened the claims and issued payments in the amount of $30,827.34. During the onsite examination, the Company stated that it filed its application to rejoin Intercompany Arbitration Agreement process. The Company states that its application was approved effective May 2017, and the Company now participates in the program.

Summary of the Department's Evaluation of the Company's Response: The Company did not provide all proof of payments issued for the resolution of the claims identified in the examination. Specifically with intercompany arbitration awards, the Company violates the rules of arbitration as it has agreed to participate in the arbitration program and is aware of the 30-day timeline for payment. These awards are non-

negotiable and are considered final/binding. The Company has provided no response indicating its commitment to amend this practice.

The Company did not provide corrective action to tender prompt payments in compliance with CCR §2695.7(h). This includes but is not limited to arbitration awards, claims with releases, and prompt acceptance and settlement of undisputed claims wherein liability is clear. Therefore, this is an unresolved issue that may result in administrative action.

7. In 20 instances, the Company failed to properly advise the insured that the driver of the insured vehicle was principally at-fault for an accident. These instances involved the failure to send the determination of fault notices to the insureds. The Department alleges these acts are in violation of CCR §2632.13(e)(1) and are unfair practices under CIC §790.03(h)(3).

Summary of the Company's Response: The Company acknowledges the findings and states that it is their practice to send the "At Fault" notices when it determines their insureds to be" principally at fault". As a result of the examination, the Company reopened pertinent claims to transmit the at-fault letters to the insureds and provided the Department with copies of these notices. The Company indicates these instances of non-compliance were individually addressed with the pertinent adjusters for regulatory enforcement. The Company is continuing to review other specific claims for issuance of these fault notices.

The Company also states that it has not been its practice to send such letters when a subsequent legal proceeding (such as litigation or Intercompany Arbitration) requires the Company to pay an amount disproportionate to the at-fault determination. However, the Company states that it will send at-fault letters in these cases in the future.

Summary of the Department's Evaluation of the Company's Response: The Company did not provide the Department with concrete procedures and guidelines to ensure regulatory compliance with the "at fault" notice requirements, and has not provided an implementation date for the procedure with respect to cases involving subsequent legal awards. Therefore, this is an unresolved issue that may result in administrative action.

8. In 16 instances, the Company failed to conduct and diligently pursue a thorough, fair and objective investigation. The Company did not complete a full investigation to determine the extent of its liability and exposure on third party claims. The Company closed claims without a final determination of liability, and closure activities did not reflect appropriate management oversight. The Department alleges these acts are in violation of CCR §2695.7(d) and are unfair practices under CIC §790.03(h)(3).

Summary of the Company's Response: The Company acknowledges the findings and states that it is their practice to conduct and diligently pursue a thorough, fair and objective investigation. The Company states that it has re-opened the identified claims to complete its investigation. One instance resulted in the payment of $4,047.42. With regard to reopened claims wherein the insured allegedly failed to cooperate, the Company stated that it would reconsider issuing a formal claim denial pursuant to the lack of cooperation.

A training memorandum was sent to the claims staff on October 27, 2016 and November 18, 2016 to ensure regulatory compliance. In addition, the Company has adopted a Continuous Improvement Plan to change claims handling habits, attitudes and skills through:

- Technology enhancements such as a system upgrade from the Company's old C4 to the updated C5 system.
- Hiring of additional claim staff to increase from 86 to current 129 staff
- Improved workflows/processes such as Manager Touchpoints throughout the life of the claim file.
- Annual Training on the California Fair Claims Practices Regulations prior to September 1 of each year.
- Quality Assurance with increased team members and targeted audits.

Summary of the Department's Evaluation of the Company's Response: The Company has taken steps to re-open identified claims, but has not produced information to show it has taken steps to fully investigate and resolve each. The Company has not provided a specific plan of corrective action to prevent premature closing of claims, and to ensure claim handling staff conduct and diligently pursue a thorough, fair and objective investigation in compliance with CCR §2695.7(d) going forward. Therefore, this is an unresolved issue that may result in administrative action.

9. In 11 instances, the Company failed to maintain all documents, notes and work papers which reasonably pertain to each claim in such detail that pertinent events and the dates of the events can be reconstructed. The Company's claim files did not contain all pertinent claim documentation. There were missing correspondence and internal/external communications. The Department alleges these acts are in violation of CCR §2695.3(a) and are unfair practices under CIC §790.03(h)(3).

Summary of the Company's Response: The Company acknowledges the findings and indicates that these documents were contained in its system, but may not have been visible to the examiners due to the manner in which the examiners' system login credentials were constructed. During the Department's onsite visit to the Company's claims office, the Company provided access to additional documentation on its system that was not previously available or accessible to the Department.

A training memorandum was sent to the claims staff on October 27, 2016 to ensure regulatory compliance. In addition, the Company has adopted a Continuous Improvement Plan to change claims handling habits, attitudes and skills through:

- Technology enhancements such as a system upgrade from the Company's old C4 to the updated C5 system.
- Hiring of additional claim staff to increase from 86 to current 129 staff
- Improved workflows/processes such as Manager Touchpoints throughout the life of the claim file.
- Annual Training on the California Fair Claims Practices Regulations prior to September 1 of each year.
- Quality Assurance with increased team members and targeted audits.

Summary of the Department's Evaluation of the Company's Response: The Company did not produce proof that all documents are available or accessible to the Department examiners on these remaining 11 instances. Therefore, this is an unresolved issue that may result in administrative action.

10. In 10 instances, the Company failed to ask if a child passenger restraint system was in use by a child during the accident or was in the vehicle at the time of a loss that was covered by the policy, and failed to reimburse the claimant for the cost of purchasing a new child passenger restraint system. In 8 instances, the Company failed to ask if a child passenger restraint system was in the vehicle at the time of a loss. In two instances, the Company failed to reimburse the cost of purchasing a car seat and/or booster seat which were in the vehicle at the time of a covered loss. The Department alleges these acts are in violation of CIC §11580.011(e) and are unfair practices under CIC §790.03(h)(5).

Summary of the Company's Response: The Company acknowledges the findings and indicates that its policy is to ask if a child passenger restraint system was in the vehicle and was in use at the time of the loss. However, the Company will only reimburse for the cost of a child passenger restraint system that was in use by a child during an accident, or was damaged in the accident even if not in use by a child during the accident. The Company does not reimburse or replace a child restraint system that was not in use by a child, but was inside the vehicle at the time of the covered loss. The Company states that the law does not require that all child passenger restraint systems be replaced simply because they were in the vehicle during the accident.

As a result of the examination, a total of $179.99 was issued for replacement of a car seat that was occupied during the accident for one of these instances. A training memorandum was sent on December 26, 2016 to all managers, trainers and auditors and on March 1, 2017 to the claims staff as a reminder to comply with the statute and ensure that the claim file is documented accordingly. The Company stated that it will provide the Department with the guidelines provided to staff regarding investigation of child restraint systems involved in a covered accident.

Summary of the Department's Evaluation of the Company's Response: The Company declined to reopen claims to determine its additional financial exposure for the reimbursement of child passenger restraint systems. The Company's has not provided the Department with a copy of the guidelines issued to staff referenced in its response. The Company has also not indicated or demonstrated that its going forward process will ensure reimbursement for or replacement of a child restraint system that was not in use by a child, but was inside the vehicle at the time of the covered loss. Therefore, this is an unresolved issue that may result in administrative action.

11. In 9 instances, the Company misrepresented to claimants pertinent facts or insurance policy provisions relating to coverages at issue. In five instances, correspondence (template letter ACAACKNLMD) to the claimant misrepresents the company's obligation to pay loss of use or for body shop delays where the insured is liable. In two instances, the claimant was incorrectly advised of non-cooperation. In one instance, correspondence was sent to the wrong party. In one instance, coverage was incorrectly denied to the claimant's insurer. The Department alleges these acts are in violation of CIC §790.03(h)(1).

Summary of the Company's Response: The Company acknowledges the findings and in one instance, communicated the coverage denial error to the appropriate parties. The Company indicates these instances of non-compliance were individually addressed with pertinent adjusters for statutory enforcement.

Summary of the Department's Evaluation of the Company's Response: The Company did not provide a plan of corrective action to ensure going forward accurate communication of pertinent facts or insurance policy provisions relating to coverages in compliance with CIC §790.03(h)(1). Therefore, this is an unresolved issue that may result in administrative action.

12. In four instances, the Company failed to supply the claimant with a copy of the estimate upon which the settlement was based. The Department alleges these acts are in violation of CCR §2695.8(f) and are unfair practices under CIC §790.03(h)(3).

Summary of the Company's Response: The Company acknowledges that copies of supplemental appraisals were not provided to the claimants due to adjuster errors. The Company indicates these instances of non-compliance were individually addressed with pertinent adjusters for regulatory enforcement.

The Company states that it is their policy and procedure to follow the California Code of Regulations and the Fair Claims Settlement Practices Regulations. All new hires will undergo training and annual certification is required of all claims employees.

A training memorandum was sent to the claims staff on March 6, 2017 to ensure regulatory compliance. In addition, the Company has adopted a Continuous Improvement Plan to change claims handling habits, attitudes and skills through:

- Technology enhancements such as a system upgrade from the Company's old C4 to the updated C5 system.
- Hiring of additional claim staff to increase from 86 to current 129 staff
- Improved workflows/processes such as Manager Touchpoints throughout the life of the claim file.
- Annual Training on the California Fair Claims Practices Regulations prior to September 1 of each year.
- Quality Assurance with increased team members and targeted audits.

13. In three instances the Company failed to deny, dispute or reject a third party claim, in whole or in part, in writing. The Company did not send the denial letters. The Department alleges these acts are in violation of CCR §2695.7(b)(1) and are unfair practices under CIC §790.03(h)(3).

Summary of the Company's Response: The Company acknowledges the findings and states that these instances were the result of adjuster error. The Company indicates these instances of non-compliance were individually addressed with pertinent adjusters for regulatory enforcement.

The Company states that it is their policy and procedure to follow the California Code of Regulations and the Fair Claims Settlement Practices Regulations. All new hires will undergo training and annual certification is required of all claims employees.

Summary of the Department's Evaluation of the Company's Response: The Company did not provide a plan of corrective action to ensure going forward the Company complies with CCR §2695.7(b)(1) to deny, dispute, or reject a third party claim, in whole or in part, in writing. Therefore, this is an unresolved issue that may result in administrative action.

14. In three instances, the Company attempted to settle a claim by making a settlement offer that was unreasonably low. The Company paid the wrong settlement amounts, or reduced the value of third party claims resulting in low settlements. The Department alleges these acts are in violation of CCR §2695.7(g) and are unfair practices under CIC §790.03(h)(5).

Summary of the Company's Response: The Company acknowledges the findings and reopened the claims for additional review. The Company indicates these instances of non-compliance were individually addressed with the pertinent adjusters for regulatory enforcement.

As a result of the examination, the Company issued additional payments to claimants in the amount of $1,648.38. The Company acknowledges that additional payments may still be owed in these instances therefore this remains a pending issue. The Company states that it will provide the Department with the final outcome of the further review of these claims.

Summary of the Department's Evaluation of the Company's Response: The Company has indicated it will reopen claims for further review. However, the Company has not yet provided proof of settlement/payment on all pertinent claims. The Company reported on May 5, 2017 the tier of claim settlement authority levels to the Department. The adjuster levels of approval authority are limited which impacts the adjuster's ability to pay the full value of all claims and/or its PD limits.

The Company did not provide a plan of corrective action to ensure accuracy of settlements to comply with CCR §2695.7(g) going forward. The Company has not proposed a remedy or package of measures to eliminate underpayments and/or low settlements. As a result, this remains an unresolved issue that may result in administrative action.

15. In one instance, the Company failed to provide reasonable notice to a claimant before terminating payment for storage charges. The Department alleges this act is in violation of CCR §2695.8(k) and is an unfair practice under CIC §790.03(h)(5).

Summary of the Company's Response: The Company acknowledges the finding and agrees that reasonable notice was not provided to the claimant warning him of the termination of storage charges on the same day of notice. The Company addressed this issue with pertinent staff for compliance reinforcement. The Company also states it is their policy to allow three business days after notice of storage has been received. This was the result of adjuster error and the claimant's claim was resolved.

16. In one instance, the Company failed to begin investigation of the claim within 15 calendar days. The Department alleges this act is in violation of CCR §2695.5(e)(3) and is an unfair practice under CIC §790.03(h)(3).

Summary of the Company's Response: The Company acknowledges the finding and indicates the adjuster was counseled on this inadvertent error. The Company also states that it is their policy and procedure to follow the California Code of Regulations and the Fair Claims Settlement Practices Regulations. All new hires will receive training and annual certification is required of all claims employees.

GENERAL FINDINGS

17. In one instance of a general finding, the Company failed to adopt and implement reasonable standards for the prompt investigation and processing of

claims arising under insurance policies. Specifically, the Company instituted a policy and procedure to block external communications by telephone, and/or limit the avenues for claimants and other interested parties to present notice of claims via oral notification. The Company has a recording on its system advising the caller that "we cannot take your call at this time". The Company provided instructions for notice of claims through its fax system or email address at claimsir@access.com.

The Company reported to the Department that effective September 15, 2016, it disallowed certain insurers and their subsidiaries from accessing its telephone line due to the volume of their calls. The Company submitted to the Department a list of telephone numbers which are automatically "blocked" so there is no option and/or opportunity to speak "live" with the Company's representatives or adjusters. As calls come in from these identified phone lines, the Company's telephone system will automatically redirect the calls to its "Automated Attendant". The Company indicates that the combined count of calls from these specific insurance companies is approximately 23,400 per month. However, documentation of an April 2016 phone bill reflected a monthly total of 6,093 calls from these blocked numbers.

The re-direction of calls to an automated system does not provide a fair and reasonable standard for the prompt investigation and processing of claims. The Company is unable to explain the "extraordinary circumstances" outside of its control which affect its ability to accept telephone calls in its normal course of daily activities. The Department alleges these acts are in violation of CIC §790.03(h)(3)

Summary of the Company's Response: The Company states that it does not believe redirected calls related to subrogation demands are subject to the laws and requirements cited by the Department. However, the Company states that it has now discontinued the redirection of "robo calls" arising from claimant carriers. The Company has also rejoined Arbitration Forums wherein all future claimant carrier disputes will be settled, and has also established contact between key significant claimant carriers and the Company's internal subrogation unit for direct point-to-point contact for the acceptance of claims and dispute resolution. This process includes the routine comparison of lists of amounts due to and from the various claimant carriers. The Company believes that these steps will all but eliminate the "robo calls" that prompted the redirection process.

Summary of the Department's Evaluation of the Company's Response: The Company states it has taken remedial corrective actions. The Company did not provide details on when the corrective actions were implemented. Therefore, this is an unresolved issue that may result in administrative action.

CDI - EXHIBIT #3

EXHIBIT NO. "3"

CALIFORNIA DEPARTMENT OF INSURANCE
Legal Division
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Attorney for The California Department of Insurance

BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF CALIFORNIA

In the Matter of Access Insurance Company, doing business as **Access** General Insurance Company, and Access General Insurance Adjusters, LLC, Respondents.	File No.: UPA 2013-00010 OAH No. Pending AMENDED ORDER TO SHOW CAUSE AND NOTICE OF HEARING (Ins. Code §§790.03, 790.05); STATEMENT OF CHARGES/ACCUSATION (10 CCR §§ 2695.7(b), (c)(1),(d)); and RELIEF REQUESTED AND PRAYER AND NOTICE OF MONETARY PENALTY (Ins. Code §§ 790.03, 790.035, 790.05) Date: On a date to be set. Time: Place: Office of Administrative Hearings, Los Angeles, CA

YOU ARE HEREBY NOTIFIED that the Insurance Commissioner of the State of California ("Commissioner") has good cause to believe that the claims settlement practices of Access Insurance Company ("ACCESS"), doing business as Access General Insurance Company,

and Access General Insurance Adjusters, LLC ("AGIA ") ("RESPONDENTS") have violated sections 790.03(h) of the Insurance Code and sections 2695.3 through 2695.8 of the California Code of Regulations, Title 10, Chapter 5, Subchapter 7.5, Article 1 (the "Fair Claims Settlement Practices Regulations). The manner and extent of the noncompliance is set forth below.

ACCESS is, and was at all relevant times, licensed to transact the business of insurance in the State of California.

AGIA is, and was at all relevant times, a licensed insurance adjuster in the State of California.

RESPONDENTS transact the business of insurance in California on risks or lines subject to the provisions of the Insurance Code and the California Code of Regulations.

The violations alleged herein were discovered as the result of the California Department of Insurance's ("Department") investigation of at least 48 consumer complaints during the period of January 1, 2010, to March 14, 2013.

1.

ORDER TO SHOW CAUSE

1. WHEREAS, the Department has reason to believe that RESPONDENTS have engaged in or are engaging in this State in the unfair methods of competition or unfair or deceptive acts or practices, and other unlawful acts set forth in the STATEMENT OF SPECIFIC CHARGES/ACCUSATION contained herein; and

2. WHEREAS, the Department has reason to believe that a proceeding with respect to the alleged acts of the RESPONDENTS would be in the public interest;

3. NOW, THEREFORE, and pursuant to the provisions of California Insurance Code section 790.05, RESPONDENTS are ordered to appear at the time, date and location to be determined by the Office of Administrative Hearings, and show cause, if any cause there be, why the Commissioner should not issue an Order requiring RESPONDENTS, to Cease and Desist from engaging in the methods, acts, and practices set forth in the STATEMENT OF SPECIFIC CHARGES/ACCUSATION contained herein, and imposing the penalties set forth in California Insurance Code sections 704, subdivision (b), 704.7, and 790.035 and other relief as requested.

2.

GENERAL STATEMENT

4. Pursuant to Government Code section 11503, the Department files this matter in

EXHIBIT 3 - 002

its official capacity.

5. ACCESS is a property and casualty insurer holding a certificate of authority issued by the Department, Company Identification Number 2432-3.

5a. AGIA is an insurance adjuster licensee holding a license issued by the Department under license number 2E53400. AGIA administers vehicular claims for and on behalf of RESPONDENTS in the State of California.

6. The Department has received at least 48 complaints against RESPONDENTS relating to Fair Claims Settlement Practices Regulations (California Code of Regulations, Title 10 ("10 CCR"), Chapter 5, Subchapter 7.5). As set forth in "Statement of Specific Charges/Accusation" below, the areas of regulatory violations alleged include:

a) Failing to accept or deny claims within 40 calendar days of receiving proof of claim, as required by 10 CCR section 2695.7(b);

b) Failing to include mandatory statements in written notification that the claim may be reviewed by the Department at the address and the telephone number of the unit which reviews claims practices pursuant to 10 CCR section 2695.7(b)(3);

c) Failing to, where necessary, "provide the claimant, within the time frame specified in subsection 2695.7(b), with written notice of the need for additional time," pursuant to 10 CCR section 2695.7 (c)(1);

d) Failing to, where necessary, provide the claimant with written notice "every thirty (30) calendar days until a determination is made or notice of legal action is served" after the initial notice identified in item (b) above, pursuant to 10 CCR section 2695.7 (c)(1); and

e) Failing to "conduct and diligently pursue a thorough, fair and objective investigation[s]," pursuant 10 CCR section 2695.7 (d).

f) Failing to maintain claims files that contain all documents, notes and work papers (including copies of correspondence) which reasonably pertain to a claim in such detail that pertinent events and the dates of the events can be reconstructed and RESPONDENTS' actions pertaining to the claim can be determined, in violation of 10 CCR section 2695.3(a);

g) Failing to furnish a complete response to a claimant upon receiving a communication therefrom which reasonably suggests that a response is expected, within fifteen calendar days of receipt and based on the facts as then known to RESPONDENTS, in violation of 1 0CCR section 2695.5(b);

h) Upon receiving a notice of claim, failing to acknowledge receipt of such notice to the claimant, make payment or acknowledge such notice with notation in the claim file with date, within fifteen calendar days, in violation of 10 CCR section 2695.5(e)(1);

i) Upon receiving a notice of claim, failing to provide to a claimant necessary forms, instructions, and reasonably assistance, including specifying the information that a claimant must provide for a proof of claim, within fifteen calendar days, in violation of 10 CCR section 2695.5(e)(2);

j) Upon receiving a notice of claim, failing to begin an investigation thereof, within fifteen calendar days, in violation of 10 CCR 2695.5(e)(3); and

k) Failing to conduct and diligently pursue a thorough, fair and objective investigation of a claim and failure to refrain from seeking information that is not reasonably required for or material to the resolution of the claim dispute, in violation of 10 CCR section 2695.7(d).

7. The practices, acts and violations determined in the 48 consumer complaint investigation and the pattern and frequency of such practices, acts and violation as set forth in "Statement of Specific Charges/Accusation" below, indicate RESPONDENTS knowingly committed and/or performed such matters with such frequency as to indicate general business practices of unfair claims settlement practices in violation of provisions of Insurance Code section 790.03, including the following:

a) Misrepresenting to claimants pertinent facts or insurance policy provisions relating to coverages, including denying claims based on such misrepresentations, in violation of Insurance Code section 790.03(h)(1);

b) Failing to acknowledge and act reasonably prompt upon communications with respect to claims, in violation of Insurance Code section 790.03(h)(2);

c) Failing to adopt and implement reasonable standards for the prompt investigation and processing of claims, in violation of Insurance Code section 790.03(h)(3);

d) Failing to affirm or deny coverage of claims within a reasonable time after proof of loss requirements have been completed and submitted, in violation of Insurance Code section 790.03(h)(4);

e) Not attempting in good faith to effectuate prompt, fair and equitable settlement of claims in which liability has become reasonably clear, in violation of Insurance Code section 790.03(h)(5); and

f) Engaging in acts and practices that are unfair or deceptive and that are not defined in Insurance Code section 790.03.

3.

STATEMENT OF SPECIFIC CHARGES/ACCUSATION

A. Department File No. CSB-6509105, Lisa B[1]

8. On February 1, 2010, a complaint was filed with the Department against RESPONDENTS alleging unfair denial of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR section 2695.7(b)(3).

9. 10 CCR section 2695.7(b)(3) requires that even partial claim denials advise the insured or claimant that they can have the claim denial reviewed by the Department.

10. RESPONDENTS' letter dated February 12, 2010, where RESPONDENTS offered 20 percent of the complainant's property damage did not contain the mandatory notice. Therefore, one violation of 10 CCR section 2695.7(b)(3) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

B. Department File No. CSB-6509140, Silvia F

11. On January 28, 2010, a complaint was filed with the Department against RESPONDENTS alleging unfair denial of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR section 2695.7(d). RESPONDENTS unfairly denied a claim without doing a proper investigation. Review of the file log notes indicates that the adjuster was aware an independent witness faulted the insured for this accident as early as December 15, 2010. RESPONDENTS did not contact the independent witness until February 16, 2010, after the Department's inquiry. After interviewing the witness, RESPONDENTS accepted 70 percent of the liability.

12. 10 CCR section 2695.7(d) requires that, "Every insurer shall conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of a claim dispute." RESPONDENTS' act of not contacting the independent witness when such information was

[1] The full last names of the complainants are not listed to protect the privacy of the individuals. The Respondents know the full last names and can cross reference them to the Department file number, which is stated.

readily available before denying the claim is a violation of 10 CCR section 2695.7(d). Therefore, one violation of 10 CCR section 2695.7(d) has occurred and this constitute one act in violation of Insurance Code section 790.03(h)(3).

C. Department File No. CSB-6518240, Ivet M

13. On March 30, 2010, a complaint was filed with the Department against RESPONDENTS alleging that a portion of the claim had been unfairly denied. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR section 2695.7, subdivisions (b) and (c)(1).

14. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 calendar days from proof of claim. Here, proof of claim was received by RESPONDENTS on January 19, 2010, in the form of a receipt from the rental company. The claim was required to be accepted, denied, or notice sent per section 2695.7(c)(1), no later than March 1, 2010. The claim was partially accepted on March 11, 2010, as evidenced by RESPONDENTS' letter. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 790.03(h)(4).

15. 10 CCR 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in section 2695.7(b). Here, the claim was not accepted within the regulatory time frame as required, however, no written notice of the need for additional time was sent. Therefore, one violation of section 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

D. Department File No. CSB-6535803, Felix A. C

16. On June 17, 2010, a complaint was filed with the Department against RESPONDENTS alleging undue delay in processing of the claim, An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.7(b) and 2695.7(c)(1).

17. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim in writing no later than 40 calendar days from proof of claim. Here, proof of claim, a police report, was received on February 25, 2010. The claim was required to be accepted, denied, or notice sent per 2695.7(c)(1), by April 6, 2010. The claim was not accepted until June 29, 2010, after the vehicle was inspected on June 26. 2010. Therefore, one violation of section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

18. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in section 2695.7(b). Here, proof of claim, a police report, was received on February 25, 2010. The claim was required to be accepted, denied, or notice sent per 2695.7(c)(1), by April 6, 2010. The claim was not accepted until June 29, 2010. No notice was ever sent to the claimant advising of the delay. Additionally, continuing notice was required every 30 calendar days. Here, the continuing notice was required no later than May 6, 2010, and June 5, 2010. No continuing notice was ever sent to the claimant. Therefore, three violations of 10 CCR section 2695.7(c)(1) have occurred and these constitute three acts in violation of Insurance Code section 703.03(h)(3).

E. Department File No. CSB-6542129, John J. J

19. On July 15, 2010, a complaint was filed with the Department against RESPONDENTS alleging the claim was improperly denied. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR section 2695.7(b)(3).

20. 10 CCR § 2695.7(b)(3) states that written notification pursuant to this subsection "shall include a statement that, if the claimant believes all or part of the claim has been wrongfully denied or rejected, he or she may have the matter reviewed by the Department, and shall include the address and telephone number of the unit of the Department which reviews claims practices." In this case, RESPONDENTS sent a partial denial letter to the complainant dated June 30, 2010. However, the letter failed to include the information required pursuant to this regulation. Therefore, one violation of 10 CCR section 2695.7(b)(3) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

F. Department File No. CSB-6568394, Kilouria T

21. On November 22, 2010, a complaint was filed with the Department against RESPONDENTS alleging undue delay in processing of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR section 2695.7(c)(1).

22. 10 CCR § 2695.7(c)(1) requires an insurer to provide the claimant continuing notice every 30 calendar days whenever the insurer is unable to accept or deny the claim within the timeframe required in section 2695.7(b). Such written notice shall specify any additional information the insurer requires in order to make a determination and state any continuing reasons for the insurer's inability to make a determination. Here, after receiving proof of claim

on September 20, 2010, when the claimant's vehicle was inspected, RESPONDENTS sent the complainant a status/delay letter on October 4, 2010. A status/delay letter was due again no later than November 3, 2010, but that status/delay letter was not sent until November 4, 2010. Therefore, one violation of 10 CCR section 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

G. Department File No. CSB-6570552, Laura M. A.

23. On November 19, 2010, a complaint was filed with the Department against RESPONDENTS alleging undue delay in processing of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR section 2695.7(c)(1).

24. 10 CCR section 2695.7(c)(1) requires an insurer to provide the claimant continuing notice every 30 calendar days whenever the insurer is unable to accept or deny the claim within the timeframe required in section 2695.7(b). Such written notice shall specify any additional information the insurer requires in order to make a determination, and state any continuing reasons for the insurer's inability to make a determination. Here, after receiving proof of claim, RESPONDENTS sent the complainant a status/delay letter on June 24, 2010. After the June 24, 2010, status/delay letter, a second status/delay letter was due no later than July 26, 2010, but that status/delay letter was not sent until July 30, 2010. After the July 30, 2010, status/delay letter, a third status/delay letter was due no later than August 30, 2010, but that status/delay letter was not sent until September 2, 2010. After the September 2, 2010, status/delay letter, a fourth status/delay letter was due no later than October 4, 2010, but that status/delay letter was not sent until October 7, 2010. After the October 7, 2010 status/delay letter, a fifth status/delay letter was due no later than November 8, 2010, but that status/delay letter was not sent until November 11, 2010. Therefore, four violations of 10 CCR section 2695.7(c)(1) have occurred and these constitute four acts in violation of Insurance Code section 703.03(h)(3).

H. Department File No. CSB-6588434, James B

25. On January 6, 2011, a complaint was filed with the Department against RESPONDENTS alleging undue delay in processing of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR section 2695.7(c)(1).

26. 10 CCR section 2695.7(c)(1) requires an insurer to provide the claimant

continuing notice every 30 calendar days whenever the insurer is unable to accept or deny the claim within the timeframe required in section 2695.7(b). Here, proof of claim was received October 11, 2010. A pro-rata offer was extended on January 17, 2011. Status/delay letters were sent to the complainant on October 26, 2010, and January 17, 2011. Additional status/delay letters should have been sent November 25, 2010, and December 26, 2010, but were never sent. Therefore, two violations of 10 CCR section 2695.7(c)(1) have occurred and these constitute two acts in violation of Insurance Code section 703.03(h)(3) .

I. Department File No. CSB-6634415, Gevorg M

27. On March 15, 2011, a complaint was filed with the Department against RESPONDENTS alleging undue delay in processing of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance 10 CCR sections 2695.7(b) and 2695.7(b)(3).

28. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 calendar days from proof of claim. Here, proof of claim was received by RESPONDENTS on October 21, 2010, in the form of a repair estimate dated October 20, 2010. The claim was required to be accepted or denied, or notice sent per section 2695.7(c)(1), no later than November 30, 2010. The claim was not denied until December 13, 2010. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4) .

29. 10 CCR section 2695.7(b)(3) requires that when a claim has been denied or rejected, a statement must be provided to the claimant advising that he or she may have the matter reviewed by the Department, and shall include the address and the telephone number of the unit of the Department which reviews claim practices. The December 13, 2010, denial letter RESPONDENTS sent to the complainant did not include this information. Therefore, one violation of 10 CCR section 2695.7(b)(3) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

J. Department File No. CSB-6652774, Craig M

30. On April 21, 2011, a complaint was filed with the Department against RESPONDENTS alleging that the company had not made a reasonable offer of settlement on the claim. An investigation by the Department's Claims Services Bureau found RESPONDENTS to be in noncompliance with 10 CCR Sections 2695.7(b) and Section 2695.7(c)(1).

31. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 calendar days from receipt of proof of claim. Here, RESPONDENTS received a supplement for the repair of the vehicle on March 10, 2011. The supplement was required to be accepted or denied, or notice sent no later than April 19, 2011. Review of the claim file indicates that the supplement was not accepted or denied or notice sent by April 19, 2011. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

32. 10 CCR section 2695.7(c)(1) requires an insurer to provide the claimant continuing notice every 30 calendar days whenever the insurer is unable to accept or deny the claim within the timeframe required in section 2695.7(b). Here, after receiving proof of claim for the supplement, RESPONDENTS failed to send the claimant a status/delay by the 40th day, as discussed above. An additional status letter was due no later than May 10, 2011, but RESPONDENTS did not send such letter. Therefore, one violation of 10 CCR section 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

K. Department File No. CSB-6656960, Jorge T

33. On April 26, 2011, a complaint was filed with the Department against RESPONDENTS alleging undue delay in processing the liability claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR section 2695.7(c)(1).

34. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in section 2695.7(b). In this case, proof of claim was received by RESPONDENTS on February 1, 2011 in the form of the vehicle inspection. The required 40 day status/delay letter was sent to the complainant on February 03, 2011. The required 30 day status/delay letters were sent to the complainant on March 1, 2011 and March 30, 2011. As the settlement offer was not made until May 05 2011, an additional status/delay letter was due no later than April 29, 2011. This status/delay letter was never sent to the claimant. Therefore, one violation of 10 CCR section 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

L. Department File No. CSB-6661860, Enrique N

35. On May 10, 2011, a complaint was filed with the Department against

RESPONDENTS alleging unfair denial of the claim and undue delay in the processing of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.7(b) and 2695.7(c)(1).

36. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 calendar days from proof of claim. Here, proof of claim was received in the form of repair estimate of on January 20, 2011. This claim was required to be accepted or denied, or notice of continuing investigation sent per Section 2695.7(c)(1), no later than March 1, 2011. On May 25 2011, RESPONDENTS sent the claimant a denial letter. The denial was not sent within the regulatory time frame and no status/delay letter was sent. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

37. 10 CCR section 2695.7(c)(1) requires an insurer to provide the claimant continuing notice every 30-calendar days whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). Such written notice shall specify any additional information the insurer requires in order to make a determination and state any continuing reasons for the insurer's inability to make a determination. Here, proof of claim in the form of an estimate was received on January 20, 2011, as indicated in the log notes. After receiving proof of claim, RESPONDENTS sent the complainant a status/delay letter on March 11, 2011. Status/delay letters were due again no later than April 11, 2011 and May 11, 2011. However, no status/delay letters were ever sent. Therefore, two violations of 10 CCR section 2695.7(c)(1) have occurred and these constitute two acts in violation of Insurance Code section 703.03(h)(3).

M. Department File No. CSB-6665851, Ricky G

38. On May 27, 2011, a complaint was filed with the Department against RESPONDENTS alleging undue delay in processing of the claim, An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.7(b) and 2695.7(c)(1).

39. 10 CCR Section 2695.7(b) requires insurer to accept or deny a claim no later than 40 calendar days from proof of claim. The rental, tow, and storage information was received on April 20, 2011. They were required to be accepted or denied or notice sent per Section 2695.7(c)(1) no later than May 30, 2011. They were not accepted and paid until June 13, 2011. Therefore, one violation of 10 CCR Section 2695.7(b) has occurred and this constitute

one act in violation of Insurance Code section 703.03(h)(4).

40. On June 21, 2011 the Department put RESPONDENTS on notice that this violation had occurred.

41. On June 30 2011 RESPONDENTS acknowledged that the violation had occurred.

42. 10 CCR Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by RESPONDENTS on April 20, 2011 in the form of the rental, tow, and storage information. The claim was required to be accepted, denied or notice sent by May 30, 2011. No notice was ever sent to the complainant advising of the delay. Therefore, one violation of 10 CCR Section 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

N. Department File No. CSB-6671805, Ashockey N

43. On July 13, 2011, a complaint was filed with the Department against RESPONDENTS alleging improper denial of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance 10 CCR sections 2695.7(b) and 2695.7(c)(1).

44. 10 CCR Section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 calendar days from proof of claim. Proof of claim was received by RESPONDENTS on March 11, 2011 in the form of a repair estimate. The claim was required to be accepted or denied, or notice sent per section 2695.7(c)(1), no later than April 10, 2011. The denial letter was not sent until July 25, 2011. Therefore, one violation of Section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

45. 10 CCR Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insured is unable to accept or deny a claim within the timeframe required in section 2695.7(b) and continuing notice is required every 30 calendar days. Continuing notices were required no later than May 10, 2011 and June 9, 2011. The denial letter was not sent until July 25, 2011. Therefore, two violations of Section 2695.7(c)(1) have occurred and these constitute two acts in violation of Insurance Code section 703.03(h)(3).

O. Department File No. CSB-6671893, William A

46. On June 24, 2011, a complaint was filed with the Department against RESPONDENTS alleging the claim was unfairly denied. An investigation by the Department's

Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR section 2695.7(b)(3).

47. 10 CCR Section 2695.7(b)(3) requires that written notification pursuant to this subdivision shall include a statement that, if the claimant believes all or part of the claim has been wrongfully denied or rejected, he or she may have the matter reviewed by the Department, and shall include the address and telephone number of the unit of the Department which reviews claims practices. In this case, RESPONDENTS sent the denial letters dated March 3, 2011 and March 10, 2011; however, the letters failed to include the Department's information, which required pursuant to this code section. Therefore, two violations of 10 CCR section 2695.7(b)(3) have occurred and these constitute two acts in violation of Insurance Code section 703.03(h)(3).

P. Department File No. 6676254, John B

48. On July 25, 2011, a complaint was filed with the Department against RESPONDENTS alleging an undue delay in processing of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR Section 2695.7(c)(1).

49. 10 CCR Section 2695.7(c)(1) requires an insurer to provide status/delay notice to a claimant whenever the insurer is unable to accept or deny the claim within the time frame required in Section 2695.7(b). In this case, proof of claim was received by RESPONDENTS on July 12, 2010 in the form of repair estimate prepared by its adjuster. A status/delay letter was sent the same day to the complainants advising them that the claim could not be accepted or denied as required by Section 2695.7(b). Continuing status/delay notice was also required every 30 calendar days after that until such time that a decision could be made. Here, continuing status/delay notices were due on January 3, 2011, February 3, 2011, March 7, 2011, April 27, 2011[2] and May 27, 2011 but were not sent as required. Therefore, five violations of 10 CCR section 2695.7(c)(1) have occurred and these constitute five acts in violation of Insurance Code section 703.03(h)(3).

Q. Department File No. CSB6685915, Kimberly M

50. On August 16, 2011, a complaint was filed with the Department against RESPONDENTS alleging undue delay in processing of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.7(b) and 2695.7(c)(1).

[2] RESPONDENTS sent a status/delay letter on March 28, 2011 so continuing letter is due every 30 days thereafter.

51. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 calendar days from the proof of claim. Here, the proof of claim was received by RESPONDENTS on June 16, 2011, in the form of a repair estimate dated June 15, 2011. The claim was required to be accepted or denied, or notice sent per Section 2695.7(c)(1), no later than July 26, 2011. The claim was not accepted until August 27, 2011, as evidenced by the company's letter. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

52. 10 CCR section 2695.7(c)(1) requires an insurer to provide the claimant continuing status/delay notice every 30-calendar days whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). Such written status/delay notice shall specify any additional information the insurer requires in order to make a determination and state any continuing reasons for the insurer's inability to make a determination. As the claim was not accepted until August 26, 2011; a status/delay letter was required to be sent to the claimant no later than August 25, 2011. No status/delay letter was sent. Therefore, one violation of 10 CCR section 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

53. On September 20 2011 RESPONDENTS acknowledged that the violation had occurred.

R. Department File No. CSB-6693809, Maria F

54. On September 13, 2011 a complaint was filed with the Department against RESPONDENTS alleging undue delay in processing of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.5(b), 2695.7(b) and 2695.7(c)(1).

55. 10 CCR section 2695.5(b) requires an insurer to respond to a claimant's communications no later than 15 calendar days from day of receipt. Here, RESPONDENTS received on July 29, 2011 a letter from the claimant's attorney on August 6, 2011. A reply was required by September 13, 2011. A reply was not sent until September 19, 2011. Therefore, one violation of 10 CCR section 2695.5(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(2).

56. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 calendar days from proof of claim. RESPONDENTS received a rental bill from the claimant's attorney on August 6, 2011. This portion of the claim was required to be accepted,

denied, or notice sent per 2G95.7(c)(1), no later than September 15, 2011. The claim was not paid until September 19, 20ll. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

57. On October 18 2011 RESPONDENTS acknowledged that the 10 CCR section 2695.7(b) violation had occurred

58. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by RESPONDENTS on August 6, 2011 in the form of the rental, tow, and storage information. The claim was required to be accepted, denied or notice sent by September 15, 2011. No notice was ever sent to the complainant advising of the delay. Therefore, one violation of 10 CCR section 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

S. Department File No. CSB-6695179, Maria C

59. On September 16, 2011, a complaint was filed with the Department against RESPONDENTS alleging that the claim was unfairly denied. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.7(b), 2695.7(c)(l) and 2695.7(d).

60. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 calendar days from "proof of claim". Here, proof of claim was received by RESPONDENTS on May 10, 2011 in the form of a police report. The claim was required to be accepted, denied, or notice sent per 2695.7(c)(1), no later than June 19, 2011. The claim was not denied until August 25, 2011 as evidenced by the company's letter. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

61. 10 CCR Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). Here, proof of claim was received by RESPONDENTS .on May 10, 2011 in the form the police report. This claim was required to be accepted, denied, or notice sent per Section 2695.7(c)(1), no later than June 19, 2011. The claim was not denied until August 25, 2011 as evidenced by RESPONDENTS' letter. RESPONDENTS failed to send the complainant the required 30 day status/delay notice on July 20, 2011, and on August 19, 2011. Therefore, two violations of 10 CCR section 2695.7(c)(1) have occurred and these constitute two act in

violation of Insurance Code section 703.03(h)(3).

62. 10 CCR Section 2695.7(d) requires that "Every insurer shall conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of a claim dispute." In this case, a review of RESPONDENTS' file log indicates that the RESPONDENTS received a copy of the police report on May 10, 2011, faxed at 3:21pm. Receipt of police report was documented in the activity log by L. Carson, Supervisor, on May 12, 2011. Although the police report, containing claimant's contact information, was received by RESPONDENTS on May 10, 2011, no contact was made with claimant until August 24, 2011. Therefore, one violation of 10 CCR section 2695.7(d) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

T. Department File No. CSB- 6696889, Brian W

63. On September 26, 2011, a complaint was filed with the Department against RESPONDENTS alleging undue delay in processing of the claim, An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.7(c)(1) and 2695.7(d).

64. 10 CCR section 2695.7(c)(1) requires an insurer to provide a claimant with written notice of the need for additional time whenever the insurer is unable to accept or deny the claim within the timeframe required in section 2695.7(b). In this case, the May 2, 2011 file notes indicate that liability was 100% adverse to the insured. RESPONDENTS received proof of claim for the complainant's damages on May 5, 2011. The claim was not paid until October 5, 2011. The required status/delay letters due on June 4, 2011, July 5, 2011, August 4, 2011, September 3, 2011 and October 3, 2011 were never sent. Therefore, five violations of 10 CCR section 2695.7(c)(1) have occurred and these constitute five acts in violation of Insurance Code section 703.03(h)(3).

65. 10 CCR section 2695.7(d) states every insurer shall conduct and diligently pursue a thorough, fair and objective investigation and shall not persist in seeking information not reasonably required for or material to the resolution of a claim dispute. Here, RESPONDENTS asserted in its October 14, 2011 letter to complainant that it needed to confirm all known damages before making any settlement payment. RESPONDENTS' file notes on May 2, 2011 indicate that liability was adverse to the insured. RESPONDENTS' investigation revealed that there were two claimants, the complainant and the City of San Jose. An appraisal

for complainant's damages was received on May 27, 2011, but there is no evidence in the RESPONDENTS' claim file to show that it made any efforts to try and make contact with the City of San Jose or to ascertain the City of San Jose's damages. It was not until after RESPONDENTS received the Department's inquiry that it made a business decision to issue payment for complainant's damages on October 05, 2011. The Respondent's claim file shows there was no investigative activity between June 3, 2011 through October 5, 2011; the Respondent's claim file sat idle for approximately four months before it processed payment for complainant's damages and only after the Department's inquiry. Therefore, one violation of 10 CCR section 2695.7(d) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

66. On November 14, 2011 RESPONDENTS acknowledged that these violations had occurred.

U. CSB-6700488, Znae R

67. On March 25, 2011, a complaint was filed with the Department against RESPONDENTS alleging unfair denial of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.7(b) and 2695.7(c)(1).

68. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 calendar days from proof of claim. Here, proof of claim was received by RESPONDENTS on April 22, 2011, in the form of an estimate. The claim was required to be accepted, denied, or notice sent per section 2695.7(c)(1), no later than June 3, 2011. The claim was not denied until November 1, 2011, as evidenced by the company's letter. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

69. 10 CCR section 2695.7(c)(1) requires an insurer to provide the claimant continuing notice every 30 calendar days whenever the insurer is unable to accept or deny the claim within the timeframe required in section 2695.7(b). Here, after receiving proof of claim, status/delay letters were due on July 5, 2011, August 4, 2011, September 6, 2011, and October 6, 2011 were never sent. Therefore, four violations of 10 CCR section 2695.7(c)(1) have occurred and these constitute four acts in violation of Insurance Code section 703.03(h)(3).

70. On November 30, 2011 RESPONDENTS acknowledged that the violations had occurred.

V. Department File No. CSB-6703817, Trung D

71. On October 28, 2011, a complaint was filed with the Department against RESPONDENTS alleging that the claim was unfairly denied. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR Section 2695.7(c)(1).

72. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by on July 9, 2011 in the form of the vehicle inspection. sent the 40 day status/delay letter to the complainant on July 13, 2011. The claim was denied on August 19, 2011. The status/delay letter due to be sent on or before August 12, 2011 was never sent. Therefore, one violation of 10 CCR section 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

W. Department File No. CSB-6705678, Elizabeth M

73. On November 7, 2011, a complaint was filed with the Department against alleging undue delay in processing of the claim, An investigation by the Department's Claims Services Bureau has found to be in noncompliance with 10 CCR sections 2695.7(b) and 2695.7(c)(1).

74. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim." In this case, proof of claim was received by on September 22, 2011 in the form of the repair estimate noted in the file log. The claim was required to be accepted, denied or notice sent by November 1, 2011. A denial was not sent to the claimant driver until November 16, 2011. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

75. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by RESPONDENTS on September 22, 2011 in the form of the repair estimate noted in the file log. The claim was required to be accepted, denied or notice sent by November 1, 2011. A denial was not sent to the claimant driver until November 16, 2011. Therefore, one violation of 10 CCR section 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

X. Department File No. CSR6706272, Leticia B

76. On November 10, 2011, a complaint was filed with the Department against

RESPONDENTS alleging claim was unfairly denied. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.3(a), 2695.7(b) and 2695.7(c)(1).

77. 10 CCR section 2695.3(a) requires that every licensee's claim files shall be subject to examination by the Commissioner or by his or her duly appointed designees. These Also shall contain all documents, notes and work papers (including copies of all correspondence) which reasonably pertain to each claim in such detail that pertinent events and the dates of the events can be reconstructed and the licensee's actions pertaining to the claim can be determined. Here, the repair estimate dated August 24, 2011 was received by RESPONDENTS; however, RESPONDENTS did not record the event in the claim file notes. Therefore one violation of 10 CCR section 2695.3(a) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

78. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by RESPONDENTS in the form of an estimate of repairs dated August 24, 2011. Assuming that this estimate was received in a timely manner, this claim was required to be accepted, denied, or notice sent per 2695.7(c)(1), no later than October 3, 201 1. The claim was not denied until October 8, 2011 as evidenced by RESPONDENTS' letter. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

79. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). Here, proof of claim was received by RESPONDENTS in the form of an estimate of repairs dated August 24, 2011. Assuming that this estimate was received in a timely manner, this claim was required to be accepted, denied, or notice sent per 2695.7(c)(1), no later than October 3, 2011. The claim was not denied until October 8, 2011 as evidenced by the RESPONDENTS' letter. No notice was ever sent to the claimant advising of the delay. Therefore, one violation of 10 CCR section 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

Y. Department File No. CSB-6717075, Johnson C

80. On January 13, 2012, a complaint was filed with the Department against RESPONDENTS alleging the claim was unfairly denied. An investigation by the Department's

Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR section 2695.7(b) and section 2695.7(c)(1).

81. 10 CCR section 2695. 7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by RESPONDENTS on December 5, 2011 in the form of the recorded statement from the complainant. This claim was required to be accepted, January 15, 2012. The claim was not denied until January 31, 2012. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

82. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). No notice was ever sent to the claimant advising of the delay. Therefore, one violation of 10 CCR section 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

Z. Department File No. CSB-6717616, Angela G.

83. On January 19, 2012, a complaint was filed with the Department against RESPONDENTS alleging an undue delay in processing of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.3(a), 2695.7(b) and 2695.7(c)(1).

84. 10 CCR section 2695.3(a) requires that every licensee's claim files shall be subject to examination by the Commissioner or by his or her duly appointed designees. These files shall contain all documents, notes. and work papers (including copies of all correspondence) which reasonably pertain to each claim in such detail that pertinent events and the dates of the events can be reconstructed and the licensee's actions pertaining to the claim can be determined. In this case a copy of the company's November 11, 2011 to the complainant could not be located in the claim file materials submitted by RESPONDENTS. Therefore, one violation of 10 CCR section 2695.3(a) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

85. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from Proof of Claim. Here, proof of claim was received by RESPONDENTS on September 19, 2011 in the form of an estimate of repairs. The insured's claim was required to be accepted, denied, or notice sent per 2695.7(c)(1), no later than October 31, 2011; however nothing was sent to the claimant until November 11, 2011. Therefore, one violation of 10 CCR

section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

86. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in section 2695.7(b); Here, proof of claim was received by RESPONDENTS on September 19, 2011 in the form of a repair estimate. This claim was required to be accepted, denied, or notice sent per section 2695.7(c)(1), no later than October 31, 2011; however nothing was sent to the claimant until November 11, 2011 as evidenced by RESPONDENTS' November 11, 2011 claims file log note. Continuing notice was required every 30 calendar days. Here, the continuing notice was required no later than December 12, 2011 and January 11, 2012, respectively. No continuing notices were ever sent to the claimant and the claim was ultimately denied on January 25, 2012. Therefore, two violations of 10 CCR section 2695.7(c)(1) have occurred and these constitute two acts in violation of Insurance Code section 703.03(h)(3).

AA. Department File No. CSB-6718048, Gary S. H

87. On January 18, 2012, a complaint was filed with the Department against RESPONDENTS alleging an undue delay in processing the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR section 2695.7(c)(1).

88. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, RESPONDENTS sent the complainant a status/delay letter July 18, 2011. Continuing notice was required every 30 calendar days. Here, continuing notice was required no later than August 17, 2011, September 16, 2011, October 16, 2011, November 15, 2011 and December 15, 2011. No continuing notice was ever sent to the claimant. Therefore, five violations of 10 CCR section 2695.7(c)(1) occurred and these constitute five acts in violation of Insurance Code section 703.03(h)(3).

BB. Department File No. CSB-6719707, Maria G

89. On February.14, 2012, a complaint was filed with the Department against RESPONDENTS alleging improper denial of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.7(b) and 2695.7(c)(1).

90. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later

than 40 days from "proof of claim". Here, proof of claim was received by RESPONDENTS on November 15, 2011, in the form a repair estimate of as evidenced by the claims file log note. This claim was required to be accepted, denied, or notice sent per 2695.7(c)(1), no later than December 23, 2011. No notice was sent and the claim was not denied until January 17, 2012. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

91. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). Here, proof of claim was received by RESPONDENTS on November.15, 2011, in the form a repair estimate as evidenced by the claims file log. This claim was required to be accepted, denied, or notice sent per 2695.7(c)(1), no later than December 23, 2011. No notice was sent and the claim was not denied until January 17, 2012. Therefore, one violation of 10 CCR section 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

CC. Department File No. CSB – 1721314, Bonnie M.

92. On February 2, 2012, a complaint was filed with the Department against RESPONDENTS alleging undue delay in processing the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.7(b) and 2695.7(c)(1).

93. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by RESPONDENTS on November 8, 2011 in the form of the vehicle inspection. The claim was required to be accepted, denied or notice sent by December 18, 2011. No notice was ever sent advising of the delay. The claim was not denied until February 14, 2012. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

94. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). Here, proof of claim was received by RESPONDENTS on November 8, 2011 in the form, of the vehicle inspection. The claim was required to be accepted, denied or notice sent by December 18, 2011. No notice was ever sent advising of the delay. Also, continuing notice was required every 30 calendar days. Here, continuing notice was required no

later than January 17, 2012. No continuing notice was ever sent to the claimant. The claim was not denied until February 14, 2012. Therefore, two violations of 10 CCR section 2695.7(c)(1) have occurred and these constitute two acts in violation of Insurance Code section 703.03(h)(3).

95. On March 12, 2012 RESPONDENTS acknowledged that the violation had occurred.

DD. Department File No. CSB -6721816, Florencis S

96. On February 8, 2012, a complaint was filed with the Department against RESPONDENTS alleging undue delay in processing the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.5(b), 2695.5(e)(1), 2695.5(e)(2), 2695.5(e)(3), and 2695.7(b)(3).

97. 10 CCR section 2695.5(b) requires a licensee to respond to a claimant's communication that reasonably suggests that a response is expected, within 15 calendar days after receipt of that communication. The file notes reflect that the both the insured driver as well as the complainant called RESPONDENTS on December 14, 2011 and their calls were transferred to voicemail. A response to this communication was due no later than December 29, 2011. No response was shown to have been provided until February 13, 2012. Therefore, one violation 10 CCR of section 2695.5(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(2).

98. 10 CCR section 2695.5(e)(1) requires an insurer to acknowledge the claim no later than 15 calendar days from notice of claim". Here, notice of claim was received by RESPONDENTS on December 13, 2011 and RESPONDENTS was required to take action under this regulation no later than December 28, 2011. Acknowledgement of the claim was not done until February 13, 2012. Therefore, one violation of 10 CCR section 2695.5(e)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(2).

99. 10 CCR section 2695.5(e)(2) requires an insurer to provide necessary claim forms no later than 15 calendar days from notice of claim. Here, notice of claim was received on December 13, 2011 and RESPONDENTS was required to take action no later than December 28, 2011. No forms were provided until February 13, 2012. Therefore, one violation of 10 CCR section 2695.5(e)(2) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(2).

100. 10 CCR section 2695.5(e)(3) requires an insurer to begin an investigation no later than 15 calendar days from notice of claim. Here, notice of claim was received on

December 13, 2011 and RESPONDENTS was required to take action no later than December 28, 2011. The file notes reflect that investigation did not begin until February 3, 2012. Therefore, one violation of 10 CCR section 2695.5(e)(3) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

101. 10 CCR section 2695.7(b)(3) requires written notification to include the statement that, if the claimant believes all or part, of the claim has been wrongfully denied or rejected, he or she may have the matter reviewed by the Department. On February 16, 2012, RESPONDENTS sent correspondence to the complainant denying a portion of the claim; however, the required notification language was not contained in the letter. Therefore, one violation of 10 CCR section 2695.7(b)(3) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

EE. Department File No. CSB-6730842, Deonte D

102. On March 19, 2012, a complaint was filed with the Department against RESPONDENTS alleging unfair denial of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.7(b) and 2695.7(c)(1).

103. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 calendar days from proof of claim. Here, proof of claim was received by RESPONDENTS on December 22, 2011, in the form of a repair estimate dated December 22, 2011. The claim was required to be accepted, denied, or notice sent per Section 2695.7(c)(1), no later than January 31, 2012. The claim was not denied until March 9, 2012. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

104. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the time frame required in section 2695.7(b). Also, continuing notice was required every 30 calendar days. Here, continuing notice was required no later than March 1, 2012. No continuing notice was ever sent to the claimant. Therefore, two violations of 10 CCR section 2695.7(c)(1) have occurred and these constitute two acts in violation of Insurance Code section 703.03(h)(3).

FF. Department File No. CSB-6733052, Crystal N.

105. On April 3, 2012, a complaint was filed with the Department against RESPONDENTS alleging undue delay in processing of the claim. An investigation by the

Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.7(b) and 2695.7(c)(1).

106. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by RESPONDENTS on January 27, 2012 in the form of repair estimate written by the company representative. This claim was required to be accepted, denied, or notice sent per 2695.7(c)(1), no later than March 7, 2012. The claim was not accepted until April 11, 2012 as evidenced by the RESPONDENTS' letter. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

107. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695,7(b). Here, proof of claim was received by RESPONDENTS on January 27, 2012 in the form of a repair estimate. This claim was required to be accepted, denied, or notice sent per 2695.7(c)(1), no later than March 7, 2012. The claim was not accepted until April 11, 2012 as evidenced by RESPONDENTS' letter. Also, continuing notice was required every 30 calendar days. Here, the continuing notice was required no later than April 6, 2012. No continuing notice was ever sent to the claimant. Therefore, two violations of 10 CCR section 2695.7(c)(1) have occurred and these constitute two acts in violation of Insurance Code section 703.03(h)(3).

GG. Department File CSB-6729472, Seyran S.

108. On March 13, 2012, a complaint was filed against RESPONDENTS alleging the claim had been unfairly denied. An investigation by the Department's Claims Services Bureau found RESPONDENTS to be in non-compliance with the Insurance Code section 790.03(h)(1).

109. Insurance Code section 790.03(h)(1) prohibits an insurer from misrepresenting facts or policy provisions. Here, RESPONDENTS denied the claim on March 14, 2012 based on an incorrect policy endorsement. RESPONDENTS based its denial of this claim on the Limited Physical Damage Coverage Discount Endorsement Form ACA-1052 (09/11). However, this 09/11 version of the Endorsement was not part of the insurance policy as it was issued. The actual Endorsement made a part of the insurance policy upon issuance was the Limited Physical Damage Coverage Discount Endorsement Form ACA-1052 (03/11). The difference between the 03/11 version and the 09/11 version was that the 03/11 version does not require the driver of the insured automobile to be an "authorized driver." Therefore, one violation of Insurance Code

section 790.03(h)(1) has occurred.

HH. Department File CSB-6733539, Deanna F.

110. On April 23, 2012, a complaint was filed against RESPONDENTS alleging undue delay in processing of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in non-compliance with 10 CCR section 2695.7(c)(1).

111. 10 CCR Section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in section 2695.7(b). In this case, proof of claim was received by RESPONDENTS on January 30, 2012, in the form of the vehicle estimate. The claim was required to be accepted, denied, or notice sent by March 10, 2012. RESPONDENTS sent the claimant a written notice on February 6, 2012. Also, continuing notice was required every 30 calendar days. Here, the continuing notice was required no later than March 6, 2012. No continuing notice was ever sent to the claimant. RESPONDENTS sent a rejection of claim notice on May 4, 2012. Therefore, two violations of 10 CCR section 2695.7(c)(1) have occurred and these constitute two acts in violation of Insurance Code section 703.03(h)(3).

II. Department File CSB-6740933, Mark R.

112. On May 7, 2012, a complaint was filed against RESPONDENTS alleging undue delay in processing of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in non-compliance with 10 CCR sections 2695.7(b) and 2695.7(c)(1).

113. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim." Here, proof of claim was received by RESPONDENTS on February 28, 2012, in the form of a repair estimate. This claim was required to be accepted, denied or notice sent per section 2695.7(c)(1), no later than April 9, 2012. The RESPONDENTS' file notes indicate the claim was not accepted until May 16, 2012. Therefore one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

114. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in section 2695.7(b). In this case, proof of claim was received by RESPONDENTS on February 28, 2012 in the form of a repair estimate. This claim was required to be accepted, denied or notice sent per 2695.7(c)(1) no later than April 9, 2012. The RESPONDENTS' file notes show

the claim was not accepted until May 16, 2012 and notice did not go out until May 17, 2012. Therefore, one violation of 10 CCR 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

115. 10 CCR section 2695.7(c)(1) also an insurer to provide written notice every thirty (30) calendar days until a determination is made or notice of legal action is served. Here, continuing notice was required no later than May 9, 2012; no continuing notice was ever sent. Therefore, one violation of 10 CCR section 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

JJ. CSB-6741638, Robyn C. L.

116. On May 9, 2012, a complaint was filed against RESPONDENTS alleging undue delay in processing of the claim. An investigation by the Department's Claims Services Bureau found RESPONDENTS to be in non-compliance with 10 CCR sections 2695.7(b) and 2695.7(c)(1).

117. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim." Here, proof of claim was received by RESPONDENTS on March 28, 2012 in the form of a repair estimate. Therefore, this claim was required to be accepted, denied or notice sent per 10 CCR section 2695.7(c)(1) no later than May 7, 2012. The RESPONDENTS' file notes show the claim was not accepted until May 22, 2012. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

118. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in section 2695.7(b). Here, proof of claim was received by RESPONDENTS on March 28, 2012 in the form of a repair estimate. This claim was required to be accepted, denied or notice sent per section 2695.7(c)(1) no later than May 7, 2012. The RESPONDENTS' file notes show the claim was not accepted until May 22, 2012. Therefore, one violation of 10 CCR section 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

KK. Department File CSB-6749316, Michael P.

119. On June 21, 2012, a complaint was filed against RESPONDENTS alleging undue delay in processing of the claim. An investigation by the Department's Consumer Services Bureau found RESPONDENTS to be in non-compliance with 10 CCR section 2695.7(c)(1).

120. 10 CCR section 2695.7(c)(1) requires an insurer to provide written notice every thirty (30) calendar days until a determination is made or notice of legal action is served. Here, RESPONDENTS sent an acknowledgement letter dated May 29, 2012. Continuing notice was required no later than June 28, 2012. However, RESPONDENTS did not sent such written notice until June 29, 2012 in the form of a denial letter to the complainant. Therefore, one violation of 10 CCR section 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

LL. Department File CSB-6750665, Lorina M.

121. On August 13, 2012, a complaint was filed against RESPONDENTS alleging a portion of the claim had been denied unfairly. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in non-compliance with Insurance Code section 1871.3(b) and 10 CCR section 2695.7(b)(1).

122. Insurance Code section 1871.3(b) requires insurers, in the case of theft of an insured vehicle, to obtain a claim form known as Affidavit of Vehicle Theft form. Under this code section, insured's signature can be witnessed by either a designated insurer's representative or a notary public. In the cover letter requesting the insured provide the Affidavit of Vehicle Theft form dated May 26, 2012, RESPONDENTS failed to disclose to the insured the option of having the Affidavit of Vehicle Theft form witnessed by a company representative in lieu of a notary public. Therefore, one violation of Insurance Code section 1871.3(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

123. 10 CCR section 2695.7(b)(1) requires every insurer that denies or rejects a third party claim, in whole or in part, or disputes liability or damages, to do so in writing. Here, proof of claim was received on June 11, 2012. RESPONDENTS' file notes show the claim was verbally denied on June 27, 2012 with no written letter sent to the claimant. After the Department's inquiry, RESPONDENTS sent claimant a denial letter dated August 29, 2012. Therefore, one violation of 10 CCR section 2695.7(b)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

MM. Department File CSB-6753669, Ricardo J.

124. On October 12, 2012, a complaint was filed against RESPONDENTS alleging undue delay in processing of the claim. An investigation by the Department's Consumer Services Bureau has found RESPONDENTS to be in non-compliance with 10 CCR sections 2695.7(b) and 2695.7(c)(1).

125. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim." Here, proof of claim was received by RESPONDENTS on July 28, 2011 in the form of a repair estimate. The claim was required to be accepted, denied or notice sent per 10 CCR section 2695.7(c)(1) no later than September 6, 2011. The claim was not denied until October 30, 2012. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

126. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to claimant whenever the insure is unable to accept or deny claim within the timeframe in section 2695.7(b). Here, the proof of claim was received by RESPONDENTS on July 28, 2011 in the form of a repair estimate. This claim was required to be accepted, denied or notice sent no later than September 6, 2011. The claim was not denied until October 30, 2012. Therefore, one violation of 10 CCR 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

127. 10 CCR section 2695.7(c)(1) also requires an insurer to provide written notice every thirty (30) calendar days until a determination is made or notice of legal action is served. Therefore, continuing notice was required no later than September 6, 2011, October 6, 2011, November 7, 2011, December 7, 2011, January 6, 2012, February 7, 2012, March 8, 2012, April 9, 2012, May 9, 2012, June 8, 2012, July 10, 2012, August 9, 2012, September 10, 2012 and October 10, 2012. No continuing notice was sent during the aforementioned dates. Therefore, fourteen (14) violations of 10 CCR section 2695.7(c)(1) have occurred and these constitute fourteen acts in violation of Insurance Code section 703.03(h)(3).

NN. Department File CSB-6758893, Jacqueline H.

128. On July 27, 2012, a complaint was filed against RESPONDENTS alleging undue delay in processing of the claim. An investigation by the Department's Consumer Services Bureau has found RESPONDENTS to be in non-compliance with 10 CCR sections 2695.7(b) and 2695.7(c)(1).

129. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to claimant whenever the insure is unable to accept or deny claim within the timeframe in section 2695.7(b). Here, proof of claim was received by RESPONDENTS on May 14, 2012 in the form of a repair estimate. The claim was required to be accepted, denied or notice sent by June 25, 2012. The RESPONDENTS file notes show the claim was not denied until July 31, 2012. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of

Insurance Code section 703.03(h)(4).

130. 10 CCR section 2695.7(c)(1) also requires an insurer to provide written notice every thirty (30) calendar days until a determination is made or notice of legal action is served. Here, continuing notice was required no later than June 25, 2012 and July 25, 2012. No such continuing notice was sent. Therefore, two violations of 10 CCR section 2695.7(c)(1) have occurred and these constitute two acts in violation of Insurance Code section 703.03(h)(3).

OO. Department File CSB-6759539, Jimmy K.

131. On August 20, 2012, a complaint was filed against RESPONDENTS alleging undue delay in processing of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.7(b) and 2695.7(c)(1).

132. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by RESPONDENTS on June 25, 2012 in the form of a repair estimate dated June 25, 2012. The claim was required to be accepted, denied, or notice sent per 2695.7(c)(1), no later than August 6, 2012 but the notice was not sent until August 9, 2012. The claim was denied August 30, 2012. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

133. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by RESPONDENTS on June 25, 2012 in the form of a repair estimate dated June 25, 2012. The claim was required to be accepted, denied, or notice sent no later than August 6, 2012 but the notice was not sent until August 9, 2012. The claim was denied August 30, 2012. Therefore, one violation of 10 CCR section 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

PP. Department File CSB-6759940, Joshua G.

134. On August 21, 2012, a complaint was filed against RESPONDENTS alleging the claim had been improperly denied. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.7(b) and 2695.7(c)(1).

140. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by RESPONDENTS on July 12, 2012 in the form of a repair estimate. The claim was required to be accepted, denied or notice sent by August 21, 2012. RESPONDENTS sent the complainant a status/delay notice on July 25, 2012. Also, continuing notice was required every 30 calendar days. Another written notice to the complainant was required no later than August 24, 2012. No continuing notice was ever sent. RESPONDENTS sent a denial of claim notice on September 19, 2012. Therefore, one violation of 10 CCR section 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

SS. Department File CSB-6768452, James C.

141. On October 8, 2012, a complaint was filed against RESPONDENTS alleging undue delay in processing of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.7(b) and 2695.7(c)(1).

142. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by RESPONDENTS on July 11, 2012. This claim was required to be accepted, denied, or notice sent per 2695.7(c)(1), no later than August 20, 2012. A partial denial of the claim was not sent until October 18, 2012. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

143. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in section 2695.7(b). In this case, proof of claim was received by RESPONDENTS on July 11, 2012. This claim was required to be accepted, denied, or notice sent per 2695.7(c)(1), no later than August 20, 2012. A partial denial of the claim was not sent until October 18, 2012. Also, continuing notice was required every 30 calendar days. Here, the continuing notice was required no later than September 19, 2012. No continuing notice was ever sent. Therefore, two violations of 10 CCR section 2695.7(c)(1) have occurred and these constitute two acts in violation of Insurance Code section 703.03(h)(3).

TT. Department File CSB-6779646, Lloyd C.

144. On December 13, 2012, a complaint was filed against RESPONDENTS alleging undue delay in processing of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR Sections 2695.7(b) and 2695.7(c)(1).

145. 10 CCR section 2695.7(b) requires an insurer to accept or deny a claim no later than 40 days from "proof of claim". Here, proof of claim was received by RESPONDENTS on November 7, 2012 in the form of a repair estimate. This claim was required to be accepted, denied, or notice sent per 2695.7(c)(1), no later than December 17, 2012. The claim was not accepted until December 28, 2012. Therefore, one violation of 10 CCR section 2695.7(b) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(4).

146. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by RESPONDENTS on November 7, 2012 in the form of a repair estimate. This claim was required to be accepted, denied, or notice sent per 2695.7(c)(1), no later than December 17, 2012. No notice was ever sent to the claimant. The claim was not accepted until December 28, 2012. Therefore, one violation of 10 CCR section 2695.7(c)(1) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

UU. Department File CSB-6784453, Jose V.

147. On January 4, 2013, a complaint was filed against RESPONDENTS alleging undue delay in processing of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.3(a), 2695.7(c)(1) and 2695.7(d).

148. 10 CCR section 2695.3(a) requires file to contain all documents. In the February 5, 2013 response letter to the Department, RESPONDENTS indicated that a contact letter was issued to the insured on March 15, 2012. There was no copy of this contact letter included in the file materials submitted by RESPONDENTS to the Department. Therefore, one violation of 10 CCR section 2695.3(a) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

149. 10 CCR section 2695.7(c)(1) requires an insurer to provide notice to a claimant whenever the insurer is unable to accept or deny the claim within the timeframe required in Section 2695.7(b). In this case, proof of claim was received by RESPONDENTS on April 23,

2012 in the form of a repair estimate. This claim was required to be accepted, denied, or notice sent per 2695.7(c)(1), no later than June 2, 2012. A status/delay letter was sent on May 31, 2012. Also, continuing notice was required every 30 calendar days. Here, the continuing notice was required no later than June 30, 2012, July 30, 2012, August 29, 2012, and September 28, 2012. No continuing notice was ever sent. The claim was denied October 26, 2012. Therefore, four violations of 10 CCR section 2695.7(c)(1) and these constitute four acts in violation of Insurance Code section 703.03(h)(3).

150. 10 CCR section 2695.7(d), requires every insurer to conduct and diligently pursue a thorough, fair and objective investigation. Here, "Notice of Claim" was received on March 15, 2012 by RESPONDENTS. After the initial Incident Report Request was made on March 15, 2012, no further attempts to obtain a copy of the police report were made despite not having received a copy in file. RESPONDENTS ultimately obtained a copy of the police report on February 12, 2013 after the Department intervened. Moreover, although RESPONDENTS had knowledge as far back as June 15, 2012 that the address it used for the insured was not a valid as all mail had been returned by the post office as "Not deliverable as addressed. Unable to forward.", RESPONDENTS continued to send mail only to that address without further documented attempts to obtain a different address for the insured or use the garaging address on the policy. On February 5, 2013, after the Department's inquiry, RESPONDENTS contacted its insurance broker and obtained a new telephone number for the insured. RESPONDENTS was able to confirm insured's whereabouts and mailing address through a call to the new telephone number. Therefore, one violation of 10 CCR section 2695.7(d) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

VV. Department File CSB-6786199, Bobby W.

151. On January 23, 2013 a complaint was filed against RESPONDENTS alleging undue delay in processing of the claim. An investigation by the Department's Claims Services Bureau has found RESPONDENTS to be in noncompliance with 10 CCR sections 2695.3(a), 2695.7(b)(1) and 2695.7(d).

152. 10 CCR section 2695.3(a) requires file to contain all documents. The file activity log notes indicate that a copy of the police report was received on January 29, 2013. There was no copy of the police report included in the file materials submitted by RESPONDENTS to the Department. Therefore, one violation of 10 CCR section 2695.3(a) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

153. 10 CCR section 2695.7(b)(1) requires every insurer that denies or rejects a third party claim, in whole or in part, or disputes liability or damages shall do so in writing. Here, RESPONDENTS initially denied liability for this claim on December 10, 2012 but failed to advise the complainant of this decision in writing. Therefore, one violation of 10 CCR section 2695.7(b)(1) and this constitute one act in violation of Insurance Code section 703.03(h)(3).

154. 10 CCR section 2695.7(d) requires every insurer to conduct and diligently pursue a thorough, fair and objective investigation. Here, RESPONDENTS acknowledged the claim on December 10, 2012. There was no further documented investigation of this loss other than the taking of a recorded statement from the insured on December 10, 2012. After the Department intervened, RESPONDENTS reversed its liability decision on February 4, 2013 upon obtaining and reviewing the police report, which did not support the insured's version of the accident. Therefore, one violation of 10 CCR section 2695.7(d) has occurred and this constitute one act in violation of Insurance Code section 703.03(h)(3).

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4.

NUMBER OF VIOLATIONS AND ASSOCIATED SECTIONS OF THE CALIFORNIA CODE OF REGULATIONS AND CALIFORNIA INSURANCE CODE

As noted in detail above, the conduct of the RESPONDENTS has resulted in 141 violations against RESPONDENTS. The table below provides a summary of the violations:

No.	Ref #	Violations	Total
1	CSB - 6509105	10 CCR 2695.7(b)(3) x 1	1
2	CSB - 6509140	10 CCR 2695.7(d) x 1	1
3	CSB - 6518240	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 1	2
4	CSB - 6535803	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 3	4
5	CSB - 6542129	10 CCR 2695.7(b)(3) x 1	1
6	CSB - 6568394	10 CCR 2695.7(c)(1) x 1	1
7	CSB - 6570552	10 CCR 2695.7(c)(1) x 4	4
8	CSB - 6588434	10 CCR 2695.7(c)(1) x 2	2
9	CSB - 6634415	10 CCR 2695.7(b) X 1 10 CCR 2695.7(b)(3) x 1	2
10	CSB - 6652774	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 1	2
11	CSB - 6656960	10 CCR 2695.7(c)(1) x 1	1

12	CSB - 6661860	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 2	3
13	CSB - 6665851	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 1	2
14	CSB - 6671805	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 2	3
15	CSB - 6671893	10 CCR 2695.7(b)(3) x 2	2
16	CSB - 6676254	10 CCR 2695.7(c)(1) x 5	5
17	CSB - 6685915	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 1	2
18	CSB-6693809	10 CCR 2695.5(b) x 1 10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 1	3
19	CSB-6695179	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 2 10 CCR 2695.7(d) x 1	4

No.	Ref #	Violations	Total
20	CSB-6696889	10 CCR 2695.7(c)(1) x 5 10 CCR 2695.7(d) x 1	6
21	CSB6700488	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 4	5
22	CSB-6703817	10 CCR 2695.7(c)(1) x 1	1
23	CSB-6705678	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 1	2
24	CSB6706272	10 CCR 2695.3(a) x 1 10 CCR 2697.7(b) x 1 10 CCR 2695.7(c)(1) x 1	3
25	CSB-6717075	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 1	2
26	CSB-6717616	10 CCR 2695.3(a) x 1 10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 2	4
27	CSB-6718048	10 CCR 2695.7(c)(1) x 5	5
28	CSB-6719707	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 1	2
29	CSB-6721314	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 2	3
30	CSB-6721816	10 CCR 2695.5(b) x 1 10 CCR 2695.5(e)(1) x 1 10 CCR 2695.5(e)(2) x 1 10 CCR 2695.5(e)(3) x 1 10 CCR 2695.7(b)(3) x 1	5
31	CSB-6730842	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 2	3
32	CSB-6733052	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 2	3
33	CSB - 6729472	IC 790.03(h)(1) x 1	1
34	CSB - 6733539	10 CCR 2695.7(c)(1) x 2	2
35	CSB - 6740933	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 2	3
36	CSB - 6741638	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 1	2
37	CSB - 6749316	10 CCR 2695.7(c)(1) x 1	1
38	CSB - 6750665	IC 1871.3(b) x 1 10 CCR 2695.7(b)(1) x 1	2
39	CSB - 6753669	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 14	15

No.	Ref #	Violations	Total
40	CSB - 6758893	10 CCR 2695.7(b) x 1 10 CCR 2695.7 (c) x 2	3
41	CSB - 6759539	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 1	2
42	CSB - 6759940	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 3	4
43	CSB - 6764666	10 CCR 2695.7(b)(1) x 1	1
44	CSB - 6766602	10 CCR 2695.7(c)(1) x 1	1
45	CSB - 6768452	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 2	3
46	CSB - 6779646	10 CCR 2695.7(b) x 1 10 CCR 2695.7(c)(1) x 1	2
47	CSB - 6784453	10 CCR 2695.3(a) x 1 10 CCR 2695.7(c)(1) x 4 10 CCR 2695.7(d) x 1	6
48	CSB - 6786199	10 CCR 2695.3(a) x 1 10 CCR 2695.7(b)(1) x 1 10 CCR 2695.7(d) x 1	3
		Total Violations	**140**

5.

RELIEF REQUESTED

RESPONDENTS ARE NOTIFIED that the Department will set with the Office of Administrative Hearings a hearing pursuant to California Insurance Code section 790.05. If, at the conclusion of the hearing, the Commissioner finds that the facts as alleged above have occurred and that these facts constitute violations of the applicable sections of the Insurance Code and/or Code of Regulations, as set forth, he may issue an order for payment of money penalties and any other corrective action as he may deem appropriate.

6.

PRAYER AND NOTICE OF MONETARY PENALTY

Petitioner prays for judgment against RESPONDENTS as follows:

1. Order to immediately CEASE and DESIST any acts or practices in violation of the Fair Claims Settlement Practices Regulations;

2. Pursuant to California Insurance Code section 790.035, for unfair or deceptive acts in violation of Section 790.03 as set forth above in an amount to be fixed by the Commissioner not to exceed ten thousand dollars ($10,000.00) for each unfair or deceptive act or practice found to be willful; and a penalty in an amount to be fixed by the Commissioner not to exceed five thousand dollars ($5,000.00) for each unfair or deceptive act or practice found not to be willful.

3. Pursuant to CIC 704(b) and 704.7 suspension of RESPONDENTS' certificate of authority and/or license for not exceeding one year or a fine of fifty -five thousand dollars ($55,000) in lieu of suspension for not carrying out contracts in good faith.

4. The California Department of Insurance reserves the right to amend this Notice of Noncompliance, Order to Show Cause, Statement of Charges/Accusations, as new facts become available.

Dated: 9/2/2014

CALIFORNIA DEPARTMENT OF INSURANCE

BY _____

Michael Tancredi
Attorney III

CDI - EXHIBIT #4

EXHIBIT NO. "4"

BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF CALIFORNIA

In the Matter of Access Insurance Company, doing business as Access General Insurance Company, and Access General Insurance Adjusters, LLC, Respondents.	File No.: UPA 2013-00010 ORDER RE STIPULATION AND WAIVER

WHEREAS, Respondent Access Insurance Company doing business as Access General Insurance Company has executed a Stipulation and Waiver, attached hereto, the provisions of which are hereby incorporated by reference; and,

WHEREAS, Respondent has waived its right to a hearing and has stipulated to the entry of this Order;

WHEREFORE, IT IS HEREBY ORDERED, Respondent Access Insurance Company doing business as Access General Insurance Company based upon stipulations contained in said Stipulation and Waiver, comply with the terms and conditions detailed therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 11th day of September, 2014

Dave Jones
Insurance Commissioner

By Jose Aguilar
Assistant Chief Counsel

Exhibit No. "4"

BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF CALIFORNIA

In the Matter of Access Insurance Company doing business as Access General Insurance Company, and Access General Insurance Adjusters, LLC, Respondents.	File No.: UPA 2013-00010 STIPULATION AND WAIVER

Respondent Access Insurance Company doing business as Access General Insurance Company and the California Department of Insurance ("Department"), do hereby enter this Stipulation and Waiver in the above-entitled matter and hereby stipulate as follows:

1. Access Insurance Company, doing business as Access General Insurance Company is, and was at all relevant times, the holder of a certificate of authority authorizing it to transact the business of insurance in the State of California.

2. In the amended pleading entitled AMENDED ORDER TO SHOW CAUSE AND NOTICE OF HEARING STATEMENT OF CHARGES/ACCUSATION and RELIEF REQUESTED AND PRAYER AND NOTICE OF MONETARY PENALTY ("Pleading") the Department alleged that it had good cause to believe that the claims settlement practices of Access Insurance Company, doing business as Access General Insurance Company had violated sections 790.03(h) (the "Unfair Claims Practices Act") and sections 2695.3 through 2695.8 of the California Code of Regulations, Title 10, Chapter 5, Subchapter 7.5, Article 1 (the "Fair Claims Settlement Practices Regulations) during the period of January 1, 2010, to March 14, 2013.

3. This Stipulation and Waiver does not constitute an admission of liability, violation or wrongdoing by Access Insurance Company, doing business as Access General Insurance Company. Access Insurance Company doing business as Access General Insurance Company, expressly denies any of its actions or alleged actions were knowingly committed or represented a pattern and/or business practice that would be violative of California Insurance Code Section 790.03(h) or the Fair Claims Settlement Practices Regulations.

4. Access Insurance Company, doing business as Access General Insurance Company, and the Department, in order to avoid the expense, uncertainty and distractions of litigation, have agreed to enter into this Stipulation and Waiver solely for the purpose of reaching a compromise settlement of and conclusion to the pleading identified above, without the need for a hearing or further administrative action. By this Stipulation and Waiver, Access Insurance Company, doing business as Access General Insurance Company, waives any and all rights to a hearing in this matter, and any and all other rights related to this proceeding which may be accorded pursuant to Chapter 5, Part 1, Division 3, Title 2 (commencing with §11500) of the California Government Code, and by the California Insurance Code.

5. Access Insurance Company, doing business as Access General Insurance Company, agrees to and shall pay as a penalty, within thirty (30) business days after receiving an invoice from the Department, Division of Accounting, the amount of $25,000 (twenty five thousand dollars).

6. Access Insurance Company, doing business as Access General Insurance Company, and the Department agree that this Stipulation and Waiver is intended to be a complete and final resolution of the issues and allegations made against Access Insurance Company, doing business as Access General Insurance Company, in the amended Pleading referenced in paragraph two of this Stipulation and Waiver. The Parties also agree that no further action will be brought against Access Insurance Company, doing business as Access General Insurance Company, based upon alleged violations of the statutes and regulations specified in paragraph two of this Stipulation and Waiver or of any other provision of the Unfair Claims Practices Act or the Fair Claims Settlement Practices Regulations during the period January 1, 2010 through

March 14, 2013, regardless of whether specifically referenced in the amended Pleading. However, neither this Stipulation and Waiver nor the Order approving this Stipulation and Waiver are in any way intended to limit or waive the Department's or Commissioner's authority to bring disciplinary action(s) against Access Insurance Company, doing business as Access General Insurance Company, for alleged violations of the statutes and regulations specified in paragraph two of this Stipulation and Waiver or of any other provision of the Unfair Claims Practices Act or the Fair Claims Settlement Practices Regulations arising from acts occurring after March 14, 2013.

7. The Parties acknowledge and agree that the Department is engaged in settlement negotiations with Access Insurance Company, doing business as Access General Insurance Company, and Access General Insurance Agency of California, Inc. regarding alleged rating and underwriting violations that may have also taken place during the time period of January 1, 2010 to March 14, 2013. Neither this Stipulation and Waiver nor the Order approving it shall limit or waive the Department's or the Commissioner's authority to bring any action against Access Insurance Company, doing business as Access General Insurance Company, and/or Access General Insurance Agency of California, Inc. for alleged rating and underwriting violations.

8. Nothing contained in this Stipulation and Waiver or the Order approving this Stipulation and Waiver shall prevent the Department from taking action at any time to enforce this Stipulation and Waiver or the Order approving this Stipulation and Waiver.

9. Access Insurance Company, doing business as Access General Insurance Company, acknowledges that California Insurance Code Section 12921 requires the Insurance Commissioner to approve the final settlement of this matter. Both the settlement terms and conditions contained herein and the acceptance of those terms and conditions are contingent upon the Commissioner's approval, which shall be evidenced and memorialized by the issuance of the Order entered by the Insurance Commissioner.

Dated: August 13, 2014

Access Insurance Company, doing business as Access General Insurance Company

Signed: _____

CDI - EXHIBIT #5

EXHIBIT NO. "5"

BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF CALIFORNIA

In the Matter of Access Insurance Company, doing business as Access General Insurance Company, and Access General Insurance Adjusters, LLC, Respondents.	File No.: UPA 2013-00010 ORDER RE STIPULATION AND WAIVER

WHEREAS, Respondent Access General Insurance Adjusters, LLC has executed a Stipulation and Waiver, attached hereto, the provisions of which are hereby incorporated by reference; and,

WHEREAS, Respondent has waived its right to a hearing and has stipulated to the entry of this Order;

WHEREFORE, IT IS HEREBY ORDERED, Respondent Access General Insurance Adjusters, LLC based upon stipulations contained in said Stipulation and Waiver, comply with the terms and conditions detailed therein.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 11th day of September, 2014

Dave Jones
Insurance Commissioner

By Jose Aguilar
Assistant Chief Counsel

BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF CALIFORNIA

In the Matter of Access Insurance Company, doing business as Access General Insurance Company, and Access General Insurance Adjusters, LLC, Respondents.	File No.: UPA 2013-00010 STIPULATION AND WAIVER

Respondent Access General Insurance Adjusters, LLC and the California Department of Insurance ("Department"), do hereby enter this Stipulation and Waiver in the above-entitled matter and hereby stipulate as follows:

1. Access General Insurance Adjusters, LLC is, and was at all relevant times, a licensed insurance adjuster in the State of California

2. In the amended pleading entitled AMENDED ORDER TO SHOW CAUSE AND NOTICE OF HEARING STATEMENT OF CHARGES/ACCUSATION and RELIEF REQUESTED AND PRAYER AND NOTICE OF MONETARY PENALTY ("Pleading") the Department alleged that it had good cause to believe that the claims settlement practices of Access General Insurance Adjusters, LLC had violated sections 790.03(h) (the "Unfair Claims Practices Act") and and sections 2695.3 through 2695.8 of the California Code of Regulations, Title 10, Chapter 5, Subchapter 7.5, Article 1 (the "Fair Claims Settlement Practices Regulations) during the period of January 1, 2010, to March 14, 2013.

3. This Stipulation and Waiver does not constitute an admission of liability, violation or wrongdoing by Access General Insurance Adjusters, LLC. Access General Insurance

Adjusters, LLC expressly denies any of its actions or alleged actions were knowingly committed or represented a pattern and/or business practice that would be violative of California Insurance Code Section 790.03(h) or the Fair Claims Settlement Practice Regulations.

4. Access General Insurance Adjusters, LLC and the Department, in order to avoid the expense, uncertainty and distractions of litigation, have agreed to enter into this Stipulation and Waiver solely for the purpose of reaching a compromise settlement of and conclusion to the pleading identified above, without the need for a hearing or further administrative action. By this Stipulation and Waiver, Access General Insurance Adjusters LLC, waives any and all rights to a hearing in this matter, and any and all other rights related to this proceeding which may be accorded pursuant to Chapter 5, Part 1, Division 3, Title 2 (commencing with §11500) of the California Government Code, and by the California Insurance Code.

5. Access General Insurance Adjusters, LLC agrees to and shall pay as a penalty, within thirty (30) business days after receiving an invoice from the Department, Division of Accounting, the amount of $25,000 (twenty five thousand dollars).

6. Access General Insurance Adjusters, LLC agrees to and shall pay as costs incurred by the Department in investigating and prosecuting this matter, within thirty (30) business days after receiving an invoice from the Department, Division of Accounting, the amount of $50,000 (fifty thousand dollars).

7. Access General Insurance Adjusters, LLC, and the Department agree that this Stipulation and Waiver is intended to be a complete and final resolution of the issues and allegations made against Access General Insurance Adjusters, LLC in the amended Pleading referenced in paragraph two of this Stipulation and Waiver. The Parties also agree that no further action will be brought against Access General Insurance Adjusters, LLC, based upon alleged violations of the statutes and regulations specified in paragraph two of this Stipulation and Waiver or of any other provision of the Unfair Claims Practices Act or the Fair Claims Settlement Practices Regulations during the period January 1, 2010 through March 14, 2013, regardless of whether specifically referenced in the amended Pleading. However, neither this Stipulation and Waiver nor the Order approving this Stipulation and Waiver are in any way intended to limit or

waive the Department's or Commissioner's authority to bring disciplinary action(s) against Access General Insurance Adjusters, LLC, for alleged violations of the statutes and regulations specified in paragraph two of this Stipulation and Waiver or of any other provision of the Unfair Claims Practices Act or the Fair Claims Settlement Practices Regulations arising from acts occurring after March 14, 2013.

8. The Parties acknowledge and agree that the Department is engaged in settlement negotiations with Access Insurance Company, doing business as Access General Insurance Company, and Access General Insurance Agency of California, Inc. regarding alleged rating and underwriting violations that may have also taken place during the time period of January 1, 2010 to March 14, 2013. Neither this Stipulation and Waiver nor the Order approving it shall limit or waive the Department's or the Commissioner's authority to bring any action against Access Insurance Company, doing business as Access General Insurance Company, and/or Access General Insurance Agency of California, Inc. for alleged rating and underwriting violations.

9. Nothing contained in this Stipulation and Waiver or the Order approving this Stipulation and Waiver shall prevent the Department from taking action at any time to enforce this Stipulation and Waiver or the Order approving this Stipulation and Waiver.

10. Access General Insurance Adjusters, LLC acknowledge that California Insurance Code Section 12921 requires the Insurance Commissioner to approve the final settlement of this matter. Both the settlement terms and conditions contained herein and the acceptance of those terms and conditions are contingent upon the Commissioner's approval, which shall be evidenced and memorialized by the issuance of the Order entered by the Insurance Commissioner.

Dated: August 13, 2014

Access General Insurance Adjusters, LLC

Signed: _____

Name: Michael H. Meadows

Title: Senior Vice President

EXHIBIT 5 - 004