

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NUMBER:11090-CO12-0326-009

IN THE MATTER OF:)

American Freedom Insurance Co.)

Respondent,)

559 W. Golf Rd.)
Arlington Heights, IL 60005)

NAIC No.: 10864)

FILED

APR 18 2012

STATE OF INDIANA
DEPT. OF INSURANCE

FINAL ORDER AND APPROVAL

The Indiana Department of Insurance (“Department”) and American Freedom Insurance Co. (“Respondent”) signed an Agreed Entry which purports to resolve all issues involved in the above cause number. The Agreed Entry has been submitted to the Commissioner of Insurance (the “Commissioner”) for approval.

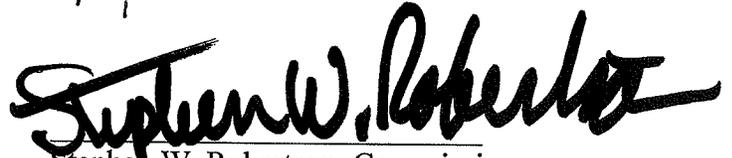
The Commissioner, after reviewing the Agreed Entry, finds it has been entered into fairly and without fraud, duress or undue influence, and is fair and equitable between the parties. The Commissioner hereby incorporates the Agreed Entry as if fully set forth herein, and approves and adopts in full the Agreed Entry as a resolution of this matter.

IT IS THEREFORE ORDERED by the Commissioner of Insurance:

1. The Department acknowledges that Respondent has paid \$4,261.81 to LaGrange County REMC and \$1,000.00 to the Complainant in accordance with the Agreed Entry.

2. Respondent shall pay an administrative fine of \$5,000.00, payable to the State of Indiana, within thirty (30) days.

ALL OF WHICH IS ORDERED this 18th day of April, 2012.



Stephen W. Robertson, Commissioner
Indiana Department of Insurance

Distribution:

Mark Smith, Attorney
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Indianapolis, IN 46250

Nikolas P. Mann
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311 West Washington Street, Suite 300
Indianapolis, Indiana 46204-2787

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AGREED ENTRY

This Agreed Entry is executed by Nikolas P. Mann, Attorney for and on behalf of the State of Indiana, Indiana Department of Insurance (“Department”), and American Freedom Insurance Co. (“Respondent”), an insurance company holding a Certificate of Authority to conduct business in Indiana, to resolve all issues in the above cause number. This Agreed Entry is subject to the review and approval of Stephen W. Robertson, Commissioner, Indiana Department of Insurance.

WHEREAS, Respondent is an insurer with a statutory home office located in the State of Illinois and licensed to do business in the State of Indiana; and

WHEREAS, on March 13, 2012, the Department received a complaint from an Indiana consumer (“Complainant”) regarding the handling of claim number IN-100337; and

WHEREAS, said claim related to a one-car accident, wherein the Complainant (a customer insured by Respondent) lost control of his vehicle which struck property belonging to others, including a utility pole owned by LaGrange County REMC; and

WHEREAS, after conducting an investigation into the loss, Respondent assessed 50% liability on Complainant for failing to maintain control of his vehicle and stated that the remaining 50% liability was “shared responsibility with the poor road conditions;” and

WHEREAS, the Department asserts it was improper for Respondent to assign negligence to “poor road conditions;” and

WHEREAS, LaGrange County REMC pursued the Complainant for the full cost to repair the utility pole; and

WHEREAS, LaGrange County REMC sent the bill for the damages to a collections agency to pursue the Complainant for the full amount; and

WHEREAS, Complainant alleges that his credit was adversely affected because of the collection action; and

WHEREAS, the allegations herein represent violations of Indiana Code § 27-4-1-4.5(6); and

WHEREAS, the Department and Respondent desire to resolve their differences and settle their issues without incurring the time and expense of a hearing;

IT IS, THEREFORE, NOW AGREED by and between the parties as follows:

1. The Commissioner has jurisdiction over the subject matter and Respondent in this administrative action.

2. This Agreed Entry is executed voluntarily by the parties.
3. Respondent voluntarily and freely waives the right to a public hearing in this matter.
4. Respondent voluntarily and freely waives the right to judicial review of this matter.
5. Respondent denies any wrongdoing.
6. Respondent agrees to pay an Administrative Fine in the amount of \$5,000.00, payable to the State of Indiana, within thirty (30) days of the Commissioner's Final Order adopting this Agreed Entry.
7. Respondent has now paid the total claim amount of \$4,261.81, to LaGrange County REMC in this matter.
8. Respondent has now paid \$1,000.00 to Complainant to compensate him for any inconvenience allegedly caused by Respondent's actions and to help alleviate the costs Complainant may have incurred or will incur to repair any adverse effect upon his credit as a result of the collections action being taken against him.
9. Respondent shall provide proof of its payment to LaGrange County REMC to the collection agency pursuing Complainant, along with a letter of explanation, within thirty (30) days of the Commissioner's Final Order adopting this Agreed Entry.
10. The Department agrees to accept Respondent's compliance with the terms of this agreement as full and final resolution of the complaint.

Signed and sealed this 11th day of April, 2012.



Denise L. Finn
Signature

Denise L. Finn
Printed

My Commissioner expires: 6-15-14

County of Residence: McHenry