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THE TREASURER OF THE STATE OF FLORIDA  
DEPARTMENT OF INSURANCE

Treasurer and  
Insurance Commissioner  
Docketed by:                     

TOM GALLAGHER

IN THE MATTER OF:

CASE NO.: 43815-01-CO

**ALLSTATE INSURANCE/ALLSTATE INDEMNITY**

2001 Property and Casualty Market Conduct  
Examination

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CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between ALLSTATE INSURANCE/ALLSTATE INDEMNITY, hereinafter referred to as ALLSTATE and the FLORIDA DEPARTMENT OF INSURANCE, hereinafter, referred to as the DEPARTMENT. Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the DEPARTMENT, hereby finds as follows:

1. The DEPARTMENT, has jurisdiction over the subject matter of, and parties to, this proceeding.
2. ALLSTATE is a foreign property and casualty insurer authorized to transact insurance business in Florida and is subject to the jurisdiction and regulation of the DEPARTMENT pursuant to the Florida Insurance Code.

3. The DEPARTMENT conducted a property and casualty market conduct examination of ALLSTATE covering the period of January 1996 through May 2001, pursuant to Section 624.3161, Florida Statutes. As a result of such examination, the DEPARTMENT determined that ALLSTATE committed the following violations of the Florida Insurance Code or Florida Administrative Code as outlined in total in the Fine Worksheet provided with the Report of Examination Findings:

a. Private Passenger Automobile

1. Section 626.9541, F.S.-Failure to Comply with Unfair Trade Practice Requirements-Rating Information for Spouse.
2. Section 626.9541, F.S.-Failure to Comply with Unfair Trade Practice Requirements-Single Female with Child Rate.
3. Section 627.0651, F.S.-Failure to Follow Filed Rate, Rating Schedule, Rating Rule or Underwriting Guideline (PPA)-Safety Discounts.

4. The DEPARTMENT and ALLSTATE expressly waive a hearing in this matter and the making of Findings of Fact and Conclusions of Law by the DEPARTMENT and all further and other proceedings herein to which the parties may be entitled by law. ALLSTATE hereby knowingly and voluntarily waives the rights to challenge or to contest this Order in any forum now available to

it, including the right to any administrative proceeding, circuit or federal court action, or any appeal.

5. **ALLSTATE** agrees that upon the execution of this Consent Order it shall be subject to the following terms and conditions:

(a) **ALLSTATE** shall pay an administrative penalty of \$3,500 and administrative costs of \$ 750 on or before the 30th day after this Consent Order is executed.

(b) **ALLSTATE** shall henceforth comply with all of the provisions of the Florida Insurance Code and Florida Administrative Code, and implement policies and procedures that will preclude the recurrence of the violations contained in the examination report. These policies and procedures shall be made available to the **DEPARTMENT** for review upon request. Within 90 days after execution of this Consent Order, **ALLSTATE** shall both implement the recommendations contained in this report, and submit confirmation in writing to the **DEPARTMENT** that all directives contained in the report have been met, including all refunds made.

(c) **ALLSTATE** is hereby placed on notice of the requirements of the above referenced sections of law and agrees that any future violations of these sections by **ALLSTATE** may be deemed willful, subjecting **ALLSTATE** to appropriate penalties.

6. ALLSTATE agrees that the failure to adhere to one or more of the above terms and conditions of this Order shall constitute a violation of a lawful order of the DEPARTMENT, and shall subject ALLSTATE to such administrative action as the DEPARTMENT may deem appropriate.

7. Except as noted above, each party to this action shall bear its own costs and attorney's fees.

8. THEREFORE, the agreement between ALLSTATE INSURANCE/ALLSTATE INDEMNITY and the DEPARTMENT, the terms and conditions of that are set forth above, is approved.

FURTHER, all terms and conditions above are hereby ORDERED.

DONE AND ORDERED this 8TH day of JULY, 2002.



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KEVIN MCCARTY  
DEPUTY INSURANCE COMMISSIONER

By execution hereof ALLSTATE INSURANCE/ALLSTATE INDEMNITY  
consents to entry of this Order, agrees without reservation to  
all of the above terms and conditions, and shall be bound by all  
provisions herein. I am authorized to execute this document.

ALLSTATE INSURANCE/ALLSTATE INDEMNITY

By: Phillip Lawson

Title: Field Vice President

Date: 2/5/02

COPIES FURNISHED TO:

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