

BEFORE THE INSURANCE COMMISSIONER
STATE OF OKLAHOMA

FILED

JAN 18 2008

INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel.)
KIM HOLLAND,)
Insurance Commissioner,)
)
Plaintiff,)
)
vs.)
)
PROGRESSIVE NORTHERN)
INSURANCE COMPANY, a licensed)
Insurer,)
)
Respondent.)

Case No. 07-1555-DIS

CONDITIONAL ADMINISTRATIVE ORDER

COMES NOW the State of Oklahoma ex rel. Kim Holland, and alleges and states as follows:

JURISDICTION

1. That Kim Holland is the Insurance Commissioner of the State of Oklahoma and as such is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, Okla.Stat.tit. 36 § 101 et seq.

2. That if a hearing is requested by the Respondent, the Insurance Commissioner, pursuant to Okla. Admin. Code § 365:1-7-5, upon written request reasonably made by a person affected by the hearing and at such person's expense, shall cause a full stenographic record of the proceedings to be made by a competent court reporter.

3. That the Insurance Commissioner, pursuant to Okla. Stat. tit. 36 § 319, has appointed an independent hearing examiner who shall sit as a quasi-judicial officer and who may preside over any hearing which may be requested by the Respondent.

ALLEGATIONS OF FACT

1. The Respondent is an insurer licensed in the State of Oklahoma, holding license number 6880, NAIC number 38628.

2. On November 7, 2007 the Oklahoma Insurance Department (OID) received a request for assistance from an Oklahoma resident, Wendell Mayo, regarding a claim payment. On November 15, 2007, OID wrote to Respondent regarding Mr. Mayo's inquiry. Respondent answered the inquiry by letter dated December 5, 2007.

3. Mr. Mayo, Respondent's insured, contacted Respondent on August 7, 2007 to report a claim and advised Respondent that he was not going to make a claim for Collision damages to his vehicle.

4. Mr. Mayo did in fact repair his vehicle and took the receipt for the repairs to his agent's office. On September 20, 2007, the repair receipt was received in Respondent's corporate office and a note acknowledging receipt of the claim information was entered in the claim file.

5. Respondent took no action on Mr. Mayo's claim until after it received OID's November 15, 2007 correspondence. At that time, Respondent called Mr. Mayo's agent to obtain another copy of the repair invoice. Respondent paid the claim to Mr. Mayo on November 29, 2007.

ALLEGED VIOLATIONS OF LAW

1. The conduct of Respondent violates Okla. Stat. tit. § 1250.4(C), in that Respondent failed to furnish an adequate response to a written communication from a claimant that reasonably suggested that a response was requested.

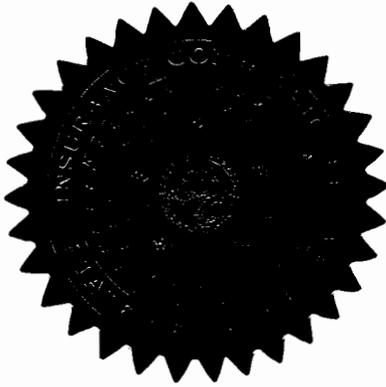
ORDER

IT IS THEREFORE ADJUDGED AND DECREED by the Insurance Commissioner, subject to the following paragraph, that the Respondent has violated Okla. Stat. tit. 36 §1250.4(C) and, pursuant to Okla. Stat. tit. 36 § 1250.4(D), is fined in the amount of \$500.00. Said fine is to be paid immediately and remitted to the OID by mail to Susan D. Dobbins, Legal Division, P.O. Box 53408, Oklahoma City, OK 73152-3408.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner that this Order is a Conditional Order. Unless the Respondent requests a hearing with respect to the Allegations of Fact set forth above within thirty (30) days of the date of mailing of this Order, this Order and the penalties set forth above shall become a Final Order on the thirty-first day following the date of mailing of this Order. Such request for a hearing, if desired, shall be made in writing, addressed to Susan D. Dobbins, Oklahoma Insurance Department, Legal Division, P.O. Box 53408, Oklahoma City, Oklahoma 73152-3408 and must be served on the Oklahoma Insurance Department within the thirty (30) days allotted. The proceedings on any such requested hearing will be conducted in accordance with the Oklahoma Insurance Code and the Oklahoma Administrative Procedures Act, Okla. Stat. tit. 75 §§ 250 through 403. If the Respondent serves a timely request for hearing on the Oklahoma Insurance Department, this Conditional Order shall act as a notice of the matters to be reviewed at the hearing, and the Allegations of Fact, Alleged Violations of Law, and penalties imposed in this Conditional Order shall be considered withdrawn, pending final resolution at the hearing.

WITNESS My Hand and Official Seal this 18 day of January, 2008.

KIM HOLLAND
INSURANCE COMMISSIONER
STATE OF OKLAHOMA



Susan D. Dobbins
SUSAN D. DOBBINS
Assistant General Counsel

CERTIFICATE OF MAILING

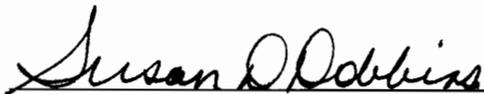
On this 18 day of January, 2008, a true and correct copy of the above and foregoing Conditional Order was mailed by certified mail to:

CERTIFIED MAIL NO.:

Progressive Northern Insurance Company
6300 Wilson Mills Rd. W33, Corp.Fin.
Mayfield Village, Ohio 44143-2182

and a copy was delivered to:

Russell Valleroy
Director of Consumer Assistance and Agents Licensing
Oklahoma Insurance Department


SUSAN D. DOBBINS
Assistant General Counsel