IN THE DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION STATE OF MISSOURI

In Re:	)	
	)	
AMCO INSURANCE COMPANY (NAIC #19100)	)	**Market Conduct Examination No. 1503-22-TGT**
	)	
DEPOSITORS INSURANCE COMPANY (NAIC #42587)	)	**Market Conduct Examination No. 1503-30-TGT**
	)	
FARMLAND MUTUAL INSURANCE COMPANY (NAIC #13838)	)	**Market Conduct Examination No. 1503-32-TGT**
	)	
HARLEYSVILLE INSURANCE COMPANY (NAIC #23582)	)	**Market Conduct Examination No. 1503-40-TGT**
	)	
NATIONAL CASUALTY COMPANY (NAIC #11991)	)	**Market Conduct Examination No. 1503-43-TGT**
	)	
NATIONWIDE AGRIBUSINESS INSURANCE COMPANY (NAIC #28223)	)	**Market Conduct Examination No. 1503-45-TGT**
	)	
NATIONWIDE MUTUAL INSURANCE COMPANY (NAIC #23787)	)	**Market Conduct Examination No. 1503-46-TGT**

ORDER OF THE DIRECTOR

NOW, on this 3rd day of June, 2016, Director John M. Huff, after consideration and review of the Stipulation of Settlement and Voluntary Forfeiture (hereinafter "Stipulation") entered into by the Division of Insurance Market Regulation (hereinafter "Division") and Amco Insurance Company (NAIC #19100) (hereinafter "AMCO), Depositors Insurance Company (NAIC #42587) (hereinafter "Depositors), Farmland Mutual Insurance Company (NAIC #13838)

(hereinafter "Farmland"), Harleysville Insurance Company (NAIC #23582) (hereinafter "Harleysville"), National Casualty Company (NAIC #11991) (hereinafter "National Casualty"), Nationwide Agribusiness Insurance Company (NAIC #28223) (hereinafter "Nationwide Agribusiness"), Nationwide Mutual Insurance Company (NAIC #23787) (hereinafter "Nationwide Mutual"), and Scottsdale Indemnity Company (NAIC #15580) (hereinafter "Scottsdale"), relating to the market conduct examinations set out in the caption above, does hereby issue the following orders:

This order, issued pursuant to §374.205.2(5) RSMo 2000, §374.280 RSMo (Cum. Supp. 2013), and §374.046.15. RSMo (Cum. Supp. 2013), is in the public interest.

IT IS THEREFORE ORDERED that AMCO, Depositors, Farmland, Harleysville, National Casualty, Nationwide Agribusiness, Nationwide Mutual, Scottsdale and the Division of Insurance Market Regulation having agreed to the Stipulation, the Director does hereby approve and agree to the Stipulation.

IT IS FURTHER ORDERED that AMCO, Depositors, Farmland, Harleysville, National Casualty, Nationwide Agribusiness, Nationwide Mutual and Scottsdale shall not engage in any of the violations of law and regulations set forth in the Stipulation and shall implement procedures to place each company in full compliance with the requirements in the Stipulation and the statutes and regulations of the State of Missouri and to maintain those corrective actions at all times.

IT IS FURTHER ORDERED that AMCO shall pay, and the Department of Insurance, Financial Institutions and Professional Registration, State of Missouri, shall accept, the Voluntary Forfeiture of $1,000 payable to the Missouri State School Fund.

IT IS FURTHER ORDERED that Depositors shall pay, and the Department of Insurance, Financial Institutions and Professional Registration, State of Missouri, shall accept, the Voluntary Forfeiture of $2,000 payable to the Missouri State School Fund.

IT IS FURTHER ORDERED that Farmland shall pay, and the Department of Insurance, Financial Institutions and Professional Registration, State of Missouri, shall accept, the Voluntary Forfeiture of $2,000 payable to the Missouri State School Fund.

IT IS FURTHER ORDERED that Harleysville shall pay, and the Department of Insurance, Financial Institutions and Professional Registration, State of Missouri, shall accept, the Voluntary Forfeiture of $1,000 payable to the Missouri State School Fund.

IT IS FURTHER ORDERED that National Casualty shall pay, and the Department of Insurance, Financial Institutions and Professional Registration, State of Missouri, shall accept, the Voluntary Forfeiture of $2,000 payable to the Missouri State School Fund.

IT IS FURTHER ORDERED that Nationwide Agribusiness shall pay, and the Department of Insurance, Financial Institutions and Professional Registration, State of Missouri, shall accept, the Voluntary Forfeiture of $2,000 payable to the Missouri State School Fund.

IT IS FURTHER ORDERED that Nationwide Mutual shall pay, and the Department of Insurance, Financial Institutions and Professional Registration, State of Missouri, shall accept, the Voluntary Forfeiture of $1,000 payable to the Missouri State School Fund.

IT IS SO ORDERED.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of my office in Jefferson City, Missouri, this 3rd day of June, 2016.

John M. Huff
Director

IN THE DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION STATE OF MISSOURI

In Re:	)	
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HARLEYSVILLE INSURANCE COMPANY (NAIC #23582)	)	**Market Conduct Examination No. 1503-40-TGT**
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NATIONAL CASUALTY COMPANY (NAIC #11991)	)	**Market Conduct Examination No. 1503-43-TGT**
	)	
NATIONWIDE AGRIBUSINESS INSURANCE COMPANY (NAIC #28223)	)	**Market Conduct Examination No. 1503-45-TGT**
	)	
NATIONWIDE MUTUAL INSURANCE COMPANY (NAIC #23787)	)	**Market Conduct Examination No. 1503-46-TGT**

STIPULATION OF SETTLEMENT AND VOLUNTARY FORFEITURE

It is hereby stipulated and agreed by the Missouri Division of Insurance Market Regulation (hereinafter, the "Division"), AMCO Insurance Company (NAIC #19100) (hereinafter "AMCO"), Depositors Insurance Company (NAIC #42587) (hereinafter "Depositors"), Farmland Mutual Insurance Company (NAIC #13838) (hereinafter "Farmland"), Harleysville Insurance Company (NAIC #23582) (hereinafter "Harleysville"), National Casualty Company (NAIC #11991) (hereinafter "National Casualty"), Nationwide Agribusiness Insurance Company (NAIC #28223) (hereinafter "Nationwide Agribusiness"), Nationwide Mutual Insurance Company (NAIC #23787) (hereinafter "Nationwide Mutual"), and Scottsdale Indemnity Company (NAIC #15580) (hereinafter "Scottsdale") as follows:

WHEREAS, the Division is a unit of the Missouri Department of Insurance, Financial

Institutions and Professional Registration (hereinafter, the "Department"), an agency of the State of Missouri, created and established for administering and enforcing all laws in relation to insurance companies doing business in the State in Missouri; and

WHEREAS, AMCO, Depositors, Farmland, Harleysville, National Casualty, Nationwide Agribusiness, Scottsdale and Nationwide Mutual have been granted certificates of authority to transact the business of insurance in the State of Missouri; and

WHEREAS, the Division called Market Conduct Examinations of AMCO, Depositors, Farmland, Harleysville, National Casualty, Nationwide Agribusiness and Nationwide Mutual based upon findings contained in Market Conduct Investigations; and

WHEREAS, based on the Market Conduct Investigations the Division alleges that:

1. AMCO failed to include a payment for sales tax in one commercial automobile policy first party total loss settlement even though AMCO's policy provided for payment of the sales tax in violation of §§ 375.1007 (1),[1] 375.1007(4), and 20 CSR 100-1.020(1)(A);

2. Depositors failed to include a payment for sales tax in two commercial automobile policy first party total loss settlements even though Depositor's policy provided for payment of the sales tax in violation of §§ 375.1007(1), 375.1007(4), and 20 CSR 100-1.020(1)(A);

3. Farmland failed to include a payment for sales tax in two commercial automobile policy first party total loss settlements even though Farmland's policy provided for payment of the sales tax in violation of §§ 375.1007(1), 375.1007(4), and 20 CSR 100-1.020(1)(A);

4. Harleysville failed to include a payment for sales tax in one commercial automobile policy first party total loss settlement even though Harleysville's policy provided for payment of the sales tax in violation of §§ 375.1007(1), 375.1007(4), and 20 CSR 100-1.020(1)(A);

5. National Casualty failed to include a payment for sales tax in two commercial automobile policy first party total loss settlements even though National Casualty's policy provided for payment of the sales tax in violation of §§ 375.1007(1), 375.1007(4), and 20 CSR 100-1.020(1)(A);

6. Nationwide Agribusiness failed to include a payment for sales tax in two commercial automobile policy first party total loss settlements even though Nationwide Agribusiness' policy provided for payment of the sales tax in violation of §§ 375.1007(1), 375.1007(4), and 20 CSR 100-

1 All references, unless otherwise noted, are to Revised Statutes of Missouri 2000, as amended.

1.020(1)(A);

7. Nationwide Mutual failed to include a payment for sales tax in one commercial automobile policy first party total loss settlement even though Nationwide Mutual's policy provided for payment of the sales tax in violation of §§ 375.1007(1), 375.1007(4), and 20 CSR 100-1.020(1)(A);

WHEREAS, the Division, AMCO, Depositors, Farmland, Harleysville, National Casualty, Nationwide Agribusiness, Nationwide Mutual and Scottsdale have agreed to resolve the issues/allegations raised in the Market Conduct Examinations and Market Conduct Investigations as follows:

A. **Scope of Agreement.** This Stipulation of Settlement and Voluntary Forfeiture (hereinafter, "Stipulation") embodies the entire agreement and understanding of the signatories with respect to the subject matter contained herein. The signatories hereby declare and represent that no promise, inducement or agreement not herein expressed has been made, and acknowledge that the terms and conditions of this agreement are contractual and not a mere recital.

B. **Remedial Action.** AMCO, Depositors, Farmland, Harleysville, National Casualty, Nationwide Agribusiness, Nationwide Mutual and Scottsdale agree to take remedial action bringing each into compliance with the statutes and regulations of Missouri. Such remedial actions shall include, but are not limited to, the following:

1. AMCO, Depositors, Farmland, Harleysville, National Casualty, Nationwide Agribusiness, Nationwide Mutual and Scottsdale agree that they will pay all first party commercial automobile total loss claims, including payment for all sales taxes relating to such claims, according to the terms of their policy provisions and agree to maintain this remedial action at all times;

2. AMCO agrees that it will pay restitution plus applicable interest to all first party commercial automobile total loss claimants for claims paid or processed at any time from June 1, 2006 to the date of the entry of the Final Order closing these Market Conduct Examinations, unless a) AMCO can demonstrate to the satisfaction of the Division that it made payment to the claimant for sales tax paid for the total loss vehicle using the contractual value payable under the terms of the policy at the time of loss,[2] or b) AMCO can demonstrate to the satisfaction of the Division that the claimant received a credit from the Department of Revenue equal to the full amount of the sales tax

2 This could be Actual Cash Value, Stated Value or some other valuation method listed in the policy.

using the contractual value payable under the terms of the policy at the time of loss. Documentation is not required from the Department of Revenue. Satisfactory documentation that may be submitted to the Division includes, but is not limited to, the following types of documents when such documents evidence the payments and/or credit as described in section B(2)(a) and B(2)(b) above: i) claim file information; ii) claimant responses that are either written or recorded; iii) copies of a purchase agreement for the replacement vehicle; and/or iv) a copy of the replacement vehicle title ("Satisfactory Documentation"). Restitution shall include the amount of the sales tax payable under the policy on the date of loss, including all state, city, county and other taxes. Such restitution shall be paid with no reduction in the amount payable to the claimant if the owner of the total loss vehicle retains the vehicle as salvage, unless there is a clear and specific provision in the policy supporting the reduction. In the event that a claimant received a credit from the Department of Revenue for the replacement vehicle that was less than the full amount of the sales tax using the contractual value payable under the terms of the policy at the time of loss, restitution shall include the amount of the difference. AMCO may send initial written communications to total loss claimants to obtain evidence demonstrating that the claimant received a credit from the Department of Revenue. AMCO's initial written communications have already been approved by the Division. AMCO is otherwise permitted to contact/address /respond to claimant(s) inquiries/questions/calls without prior review and approval by the Division, however, AMCO agrees that it will not seek to improperly persuade or induce the responses of the claimants.

3. Depositors agrees that it will pay restitution plus applicable interest to all first party commercial automobile total loss claimants for claims paid or processed at any time from June 1, 2006 to the date of the entry of the Final Order closing these Market Conduct Examinations, unless a) Depositors can demonstrate to the satisfaction of the Division that it made payment to the claimant for sales tax paid for the total loss vehicle using the contractual value payable under the terms of the policy at the time of loss,[3] or b) Depositors can demonstrate to the satisfaction of the Division that the claimant received a credit from the Department of Revenue equal to the full amount of the sales tax using the contractual value payable under the terms of the policy at the time of loss. Documentation is not required from the Department of Revenue. Satisfactory documentation that may be submitted to the Division includes, but is not limited to, the following types of documents

3 This could be Actual Cash Value, Stated Value or some other valuation method listed in the policy.

when such documents evidence the payments and/or credit as described in section B(2)(a) and B(2)(b) above: i) claim file information; ii) claimant responses that are either written or recorded; iii) copies of a purchase agreement for the replacement vehicle; and/or iv) a copy of the replacement vehicle title ("Satisfactory Documentation"). Restitution shall include the amount of the sales tax payable under the policy on the date of loss, including all state, city, county and other taxes. Such restitution shall be paid with no reduction in the amount payable to the claimant if the owner of the total loss vehicle retains the vehicle as salvage, unless there is a clear and specific provision in the policy supporting the reduction. In the event that a claimant received a credit from the Department of Revenue for the replacement vehicle that was less than the full amount of the sales tax using the contractual value payable under the terms of the policy at the time of loss, restitution shall include the amount of the difference. Depositors may send initial written communications to total loss claimants to obtain evidence demonstrating that the claimant received a credit from the Department of Revenue. Depositors' initial written communications have already been approved by the Division. Depositors is otherwise permitted to contact/address /respond to claimant(s) inquiries/questions/calls without prior review and approval by the Division, however, Depositors agrees that it will not seek to improperly persuade or induce the responses of the claimants.

4. Farmland agrees that it will pay restitution plus applicable interest to all first party commercial automobile total loss claimants for claims paid or processed at any time from June 1, 2006 to the date of the entry of the Final Order closing these Market Conduct Examinations, unless a) Farmland can demonstrate to the satisfaction of the Division that it made payment to the claimant for sales tax paid for the total loss vehicle using the contractual value payable under the terms of the policy at the time of loss,[4] or b) Farmland can demonstrate to the satisfaction of the Division that the claimant received a credit from the Department of Revenue equal to the full amount of the sales tax using the contractual value payable under the terms of the policy at the time of loss. Documentation is not required from the Department of Revenue. Satisfactory documentation that may be submitted to the Division includes, but is not limited to, the following types of documents when such documents evidence the payments and/or credit as described in section B(2)(a) and B(2)(b) above: i) claim file information; ii) claimant responses that are either written or recorded; iii) copies of a purchase agreement for the replacement vehicle; and/or iv) a copy of the replacement vehicle title

4 This could be Actual Cash Value, Stated Value or some other valuation method listed in the policy.

("Satisfactory Documentation"). Restitution shall include the amount of the sales tax payable under the policy on the date of loss, including all state, city, county and other taxes. Such restitution shall be paid with no reduction in the amount payable to the claimant if the owner of the total loss vehicle retains the vehicle as salvage, unless there is a clear and specific provision in the policy supporting the reduction. In the event that a claimant received a credit from the Department of Revenue for the replacement vehicle that was less than the full amount of the sales tax using the contractual value payable under the terms of the policy at the time of loss, restitution shall include the amount of the difference. Farmland may send initial written communications to total loss claimants to obtain evidence demonstrating that the claimant received a credit from the Department of Revenue. Farmland's initial written communications have already been approved by the Division. Farmland is otherwise permitted to contact/address /respond to claimant(s) inquiries/questions/calls without prior review and approval by the Division, however, Farmland agrees that it will not seek to improperly persuade or induce the responses of the claimants.

5. Harleysville agrees that it will pay restitution plus applicable interest to all first party commercial automobile total loss claimants for claims paid or processed at any time from June 1, 2006 to the date of the entry of the Final Order closing these Market Conduct Examinations, unless a) Harleysville can demonstrate to the satisfaction of the Division that it made payment to the claimant for sales tax paid for the total loss vehicle using the contractual value payable under the terms of the policy at the time of loss,[5] or b) Farmland can demonstrate to the satisfaction of the Division that the claimant received a credit from the Department of Revenue equal to the full amount of the sales tax using the contractual value payable under the terms of the policy at the time of loss. Documentation is not required from the Department of Revenue. Satisfactory documentation that may be submitted to the Division includes, but is not limited to, the following types of documents when such documents evidence the payments and/or credit as described in section B(2)(a) and B(2)(b) above: i) claim file information; ii) claimant responses that are either written or recorded; iii) copies of a purchase agreement for the replacement vehicle; and/or iv) a copy of the replacement vehicle title ("Satisfactory Documentation"). Restitution shall include the amount of the sales tax payable under the policy on the date of loss, including all state, city, county and other taxes. Such restitution shall be paid with no reduction in the amount payable to the claimant if the owner of the

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total loss vehicle retains the vehicle as salvage, unless there is a clear and specific provision in the policy supporting the reduction. In the event that a claimant received a credit from the Department of Revenue for the replacement vehicle that was less than the full amount of the sales tax using the contractual value payable under the terms of the policy at the time of loss, restitution shall include the amount of the difference. Harleysville may send initial written communications to total loss claimants to obtain evidence demonstrating that the claimant received a credit from the Department of Revenue. Harleysville's initial written communications have already been approved by the Division. Harleysville is otherwise permitted to contact/address /respond to claimant(s) inquiries/questions/calls without prior review and approval by the Division, however, Farmland agrees that it will not seek to improperly persuade or induce the responses of the claimants.

6. National Casualty agrees that it will pay restitution plus applicable interest to all first party commercial automobile total loss claimants for claims paid or processed at any time from June 1, 2006 to the date of the entry of the Final Order closing these Market Conduct Examinations, unless a) National Casualty can demonstrate to the satisfaction of the Division that it made payment to the claimant for sales tax paid for the total loss vehicle using the contractual value payable under the terms of the policy at the time of loss,[6] or b) National Casualty can demonstrate to the satisfaction of the Division that the claimant received a credit from the Department of Revenue equal to the full amount of the sales tax using the contractual value payable under the terms of the policy at the time of loss. Documentation is not required from the Department of Revenue. Satisfactory documentation that may be submitted to the Division includes, but is not limited to, the following types of documents when such documents evidence the payments and/or credit as described in section B(2)(a) and B(2)(b) above: i) claim file information; ii) claimant responses that are either written or recorded; iii) copies of a purchase agreement for the replacement vehicle; and/or iv) a copy of the replacement vehicle title ("Satisfactory Documentation"). Restitution shall include the amount of the sales tax payable under the policy on the date of loss, including all state, city, county and other taxes. Such restitution shall be paid with no reduction in the amount payable to the claimant if the owner of the total loss vehicle retains the vehicle as salvage, unless there is a clear and specific provision in the policy supporting the reduction. In the event that a claimant received a credit from the Department of Revenue for the replacement vehicle that was less than the full amount

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of the sales tax using the contractual value payable under the terms of the policy at the time of loss, restitution shall include the amount of the difference. National Casualty may send initial written communications to total loss claimants to obtain evidence demonstrating that the claimant received a credit from the Department of Revenue. National Casualty's initial written communications have already been approved by the Division. National Casualty is otherwise permitted to contact/address /respond to claimant(s) inquiries/questions/calls without prior review and approval by the Division, however, Farmland agrees that it will not seek to improperly persuade or induce the responses of the claimants.

7. Nationwide Agribusiness agrees that it will pay restitution plus applicable interest to all first party commercial automobile total loss claimants for claims paid or processed at any time from June 1, 2006 to the date of the entry of the Final Order closing these Market Conduct Examinations, unless a) Nationwide Agribusiness can demonstrate to the satisfaction of the Division that it made payment to the claimant for sales tax paid for the total loss vehicle using the contractual value payable under the terms of the policy at the time of loss,[7] or b) Nationwide Agribusiness can demonstrate to the satisfaction of the Division that the claimant received a credit from the Department of Revenue equal to the full amount of the sales tax using the contractual value payable under the terms of the policy at the time of loss. Documentation is not required from the Department of Revenue. Satisfactory documentation that may be submitted to the Division includes, but is not limited to, the following types of documents when such documents evidence the payments and/or credit as described in section B(2)(a) and B(2)(b) above: i) claim file information; ii) claimant responses that are either written or recorded; iii) copies of a purchase agreement for the replacement vehicle; and/or iv) a copy of the replacement vehicle title ("Satisfactory Documentation"). Restitution shall include the amount of the sales tax payable under the policy on the date of loss, including all state, city, county and other taxes. Such restitution shall be paid with no reduction in the amount payable to the claimant if the owner of the total loss vehicle retains the vehicle as salvage, unless there is a clear and specific provision in the policy supporting the reduction. In the event that a claimant received a credit from the Department of Revenue for the replacement vehicle that was less than the full amount of the sales tax using the contractual value payable under the terms of the policy at the time of loss, restitution shall include the amount of the difference. Nationwide

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Agribusiness may send initial written communications to total loss claimants to obtain evidence demonstrating that the claimant received a credit from the Department of Revenue. Nationwide Agribusiness' initial written communications have already been approved by the Division. Nationwide Agribusiness is otherwise permitted to contact/address /respond to claimant(s) inquiries/questions/calls without prior review and approval by the Division, however, Nationwide Agribusiness agrees that it will not seek to improperly persuade or induce the responses of the claimants.

8. Nationwide Mutual agrees that it will pay restitution plus applicable interest to all first party commercial automobile total loss claimants for claims paid or processed at any time from June 1, 2006 to the date of the entry of the Final Order closing these Market Conduct Examinations, unless a) Nationwide Mutual can demonstrate to the satisfaction of the Division that it made payment to the claimant for sales tax paid for the total loss vehicle using the contractual value payable under the terms of the policy at the time of loss,[8] or b) Nationwide Mutual can demonstrate to the satisfaction of the Division that the claimant received a credit from the Department of Revenue equal to the full amount of the sales tax using the contractual value payable under the terms of the policy at the time of loss. Documentation is not required from the Department of Revenue. Satisfactory documentation that may be submitted to the Division includes, but is not limited to, the following types of documents when such documents evidence the payments and/or credit as described in section B(2)(a) and B(2)(b) above: i) claim file information; ii) claimant responses that are either written or recorded; iii) copies of a purchase agreement for the replacement vehicle; and/or iv) a copy of the replacement vehicle title ("Satisfactory Documentation"). Restitution shall include the amount of the sales tax payable under the policy on the date of loss, including all state, city, county and other taxes. Such restitution shall be paid with no reduction in the amount payable to the claimant if the owner of the total loss vehicle retains the vehicle as salvage, unless there is a clear and specific provision in the policy supporting the reduction. In the event that a claimant received a credit from the Department of Revenue for the replacement vehicle that was less than the full amount of the sales tax using the contractual value payable under the terms of the policy at the time of loss, restitution shall include the amount of the difference. Nationwide Mutual may send initial written communications to total loss claimants to obtain evidence demonstrating that the claimant received a

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credit from the Department of Revenue. Nationwide Mutual's initial written communications have already been approved by the Division. Nationwide Mutual is otherwise permitted to contact/address /respond to claimant(s) inquiries/questions/calls without prior review and approval by the Division, however, Nationwide Mutual agrees that it will not seek to improperly persuade or induce the responses of the claimants.

9. Scottsdale agrees that it will pay restitution plus applicable interest to all first party commercial automobile total loss claimants for claims paid or processed at any time from June 1, 2006 to the date of the entry of the Final Order closing these Market Conduct Examinations, unless a) Scottsdale can demonstrate to the satisfaction of the Division that it made payment to the claimant for sales tax paid for the total loss vehicle using the contractual value payable under the terms of the policy at the time of loss,[9] or b) Scottsdale can demonstrate to the satisfaction of the Division that the claimant received a credit from the Department of Revenue equal to the full amount of the sales tax using the contractual value payable under the terms of the policy at the time of loss. Documentation is not required from the Department of Revenue. Satisfactory documentation that may be submitted to the Division includes, but is not limited to, the following types of documents when such documents evidence the payments and/or credit as described in section B(2)(a) and B(2)(b) above: i) claim file information; ii) claimant responses that are either written or recorded; iii) copies of a purchase agreement for the replacement vehicle; and/or iv) a copy of the replacement vehicle title ("Satisfactory Documentation"). Restitution shall include the amount of the sales tax payable under the policy on the date of loss, including all state, city, county and other taxes. Such restitution shall be paid with no reduction in the amount payable to the claimant if the owner of the total loss vehicle retains the vehicle as salvage, unless there is a clear and specific provision in the policy supporting the reduction. In the event that a claimant received a credit from the Department of Revenue for the replacement vehicle that was less than the full amount of the sales tax using the contractual value payable under the terms of the policy at the time of loss, restitution shall include the amount of the difference. Scottsdale may send initial written communications to total loss claimants to obtain evidence demonstrating that the claimant received a credit from the Department of Revenue. Scottsdale's initial written communications have already been approved by the Division. Scottsdale is otherwise permitted to contact/address /respond to claimant(s) inquiries/questions/calls without

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prior review and approval by the Division, however, Scottsdale agrees that it will not seek to improperly persuade or induce the responses of the claimants.

C. **Compliance.** AMCO, Depositors, Farmland, Harleysville, National Casualty, Nationwide Agribusiness, Nationwide Mutual and Scottsdale have agreed to file documentation as further described below, with the Division, in a format acceptable to the Division, within 180 days of the date of the entry of a Final Order and then maintain the documentation, as further described below, for a period of three years from the date said documentation is submitted to the Division. AMCO, Depositors, Farmland, Harleysville, National Casualty, Nationwide Agribusiness, Nationwide Mutual and Scottsdale further agree that the aforementioned documentation that they agree to maintain and file with the Division, will be documentation related to the determination that payment of restitution is required and/or no payment is required pursuant to the terms of this Stipulation, including, but not limited to, Satisfactory Documentation, (as defined for each company in Section B above) communications with claimants, copies of restitution checks, and copies of all documents/other information the Companies believe support their determination.AMCO, Depositors, Farmland, Harleysville, National Casualty, Nationwide Agribusiness, Nationwide Mutual and Scottsdale agree to pay any reasonable fees expended by the Division in conducting its review of the filed documentation.

D. **Non-Admission/Denial.** AMCO, Depositors, Farmland, Harleysville, National Casualty, Nationwide Agribusiness, Nationwide Mutual and Scottsdale, specifically deny the Division's allegations and nothing in this Stipulation shall be construed as an admission by AMCO, Depositors, Farmland, Harleysville, National Casualty, Nationwide Agribusiness Nationwide Mutual and/or Scottsdale. This Stipulation is a compromise settlement to resolve disputed factual and legal allegations arising out of the above referenced Market Conduct Examinations. .

E. **Voluntary Forfeiture.** AMCO agrees, voluntarily and knowingly, to surrender and forfeit the sum of $1,000 such sum payable to the Missouri State School Fund, in accordance with § 374.280. Depositors agrees, voluntarily and knowingly, to surrender and forfeit the sum of $2,000 such sum payable to the Missouri State School Fund, in accordance with § 374.280. Farmland agrees, voluntarily and knowingly, to surrender and forfeit the sum of $2,000 such sum payable to the Missouri State School Fund, in accordance with § 374.280. Harleysville agrees, voluntarily and

knowingly, to surrender and forfeit the sum of $1,000 such sum payable to the Missouri State School Fund, in accordance with § 374.280. National Casualty agrees, voluntarily and knowingly, to surrender and forfeit the sum of $2,000 such sum payable to the Missouri State School Fund, in accordance with § 374.280. Nationwide Agribusiness agrees, voluntarily and knowingly, to surrender and forfeit the sum of $2,000 such sum payable to the Missouri State School Fund, in accordance with § 374.280. Nationwide Mutual agrees, voluntarily and knowingly, to surrender and forfeit the sum of $1,000 such sum payable to the Missouri State School Fund, in accordance with § 374.280.

F. **Other Penalties.** The Division agrees that it will not seek penalties against AMCO, Depositors, Farmland, Harleysville, National Casualty, Nationwide Agribusiness, Nationwide Mutual and Scottsdale, other than those agreed to in this Stipulation, in connection with Market Conduct Examinations Nos. 1503-22-TGT, 1503-30-TGT, 1503-32-TGT, 1503-40-TGT, 1503-43-TGT, 1503-45-TGT and 1503-46-TGT.

G. **Waivers.** AMCO, Depositors, Farmland, Harleysville, National Casualty, Nationwide Agribusiness, Nationwide Mutual and Scottsdale, after being advised by legal counsel, do hereby voluntarily and knowingly waive any and all rights for procedural requirements, including notice and an opportunity for a hearing, and review or appeal by any trial or appellate court, which may have otherwise applied to Market Conduct Examinations Nos.1503-22-TGT, 1503-30-TGT, 1503-32-TGT, 1503-40-TGT, 1503-43-TGT, 1503-45-TGT and 1503-46-TGT.

H. **Changes.** No changes to this Stipulation shall be effective unless made in writing and agreed to by all signatories to the Stipulation.

I. **Governing Law.** This Stipulation shall be governed and construed in accordance with the laws of the State of Missouri.

J. **Authority.** The signatories below represent, acknowledge and warrant that they are authorized to sign this Stipulation.

K. **Effect of Stipulation.** This Stipulation shall not become effective until the date of the entry of a Final Order by the Director of the Department of Insurance, Financial Institutions and Professional Registration (hereinafter the "Director") approving this Stipulation.

L. **Request for an Order.** The signatories below request that the Director issue an Order approving this Stipulation and ordering the relief agreed to in the Stipulation, and consent to

the issuance of such Order.

M. **Counterparts.** This stipulation may be executed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single document.

DATED: _____

_____
Angela L. Nelson
Director
Division of Insurance Market Regulation

DATED: 6/2/2016

_____
Stewart Freilich
Senior Regulatory Affairs Counsel
Division of Insurance Market Regulation

DATED: _____

_____
Brad R. Liggett
President
Farmland Mutual Insurance Company; and
Nationwide Agribusiness Insurance Company

DATED: _____

_____
Thomas E. Clark
President
National Casualty Company
Scottsdale Indemnity Company

DATED: 5/31/16

_____
Mark A. Berven
President and Chief Operating Officer
Nationwide Mutual Insurance Company;
Harleysville Insurance Company;
Depositors Insurance Company; and
AMCO Insurance Company

the issuance of such Order.

M. **Counterparts.** This stipulation may be executed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single document.

DATED: 6/2/2016

Angela L. Nelson
Director
Division of Insurance Market Regulation

DATED: _____

Stewart Freilich
Senior Regulatory Affairs Counsel
Division of Insurance Market Regulation

DATED: 3/31/16

Brad R. Liggett
President
Farmland Mutual Insurance Company; and
Nationwide Agribusiness Insurance Company

DATED: _____

Thomas E. Clark
President
National Casualty Company
Scottsdale Indemnity Company

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Mark A. Berven
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Angela L. Nelson
Director
Division of Insurance Market Regulation

DATED: _____

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Stewart Freilich
Senior Regulatory Affairs Counsel
Division of Insurance Market Regulation

DATED: _____

_____
Brad R. Liggett
President
Farmland Mutual Insurance Company; and
Nationwide Agribusiness Insurance Company

DATED: 5-18-16

_____
Thomas E. Clark
President
National Casualty Company
Scottsdale Indemnity Company

DATED: _____

_____
Mark A. Berven
President and Chief Operating Officer
Nationwide Mutual Insurance Company;
Harleysville Insurance Company;
Depositors Insurance Company; and
AMCO Insurance Company

RECEIVED
JUN 01 2016
MO. DEPT OF INSURANCE,
FINANCIAL INSTITUTIONS &
PROFESSIONAL REGISTRATION