



DEPARTMENT OF COMMERCE & INSURANCE

P.O. Box 690, Jefferson City, Mo. 65102-0690

In Re:)
)
AMERICAN BANKERS INSURANCE) **Market Conduct Investigation No. 420699**
COMPANY OF FLORIDA)
(NAIC # 19-10111)

ORDER OF THE DIRECTOR

NOW, on this 10th day of December, 2024, Director Chlora Lindley-Myers, after consideration and review of the Stipulation of Settlement (hereinafter “Stipulation”) entered into by the Division of Insurance Market Regulation (hereinafter “Division”) and American Bankers Insurance Company of Florida (NAIC #19-10111) (hereinafter “ABIC”), relating to the market conduct investigation no. 420699, does hereby issue the following orders:

This order, issued pursuant to §374.046.15¹ and §374.280 RSMo, is in the public interest.

IT IS THEREFORE ORDERED that the Director does hereby approve the Stipulation as agreed to by ABIC and the Division.

IT IS FURTHER ORDERED that ABIC shall not engage in any of the violations of statutes and regulations set forth in the Stipulation, shall implement procedures to place it in full compliance with the requirements in the Stipulation and the statutes and regulations of the State of Missouri, shall maintain those corrective actions at all times, and shall fully comply with all terms of the Stipulation.

¹ All references, unless otherwise noted, are to Revised Statutes of Missouri 2016.

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 10th day of December, 2024.



Chlora Lindley-Myers
Chlora Lindley-Myers
Director

**IN THE DEPARTMENT OF COMMERCE AND INSURANCE
STATE OF MISSOURI**

In Re:)
)
 AMERICAN BANKERS)
 INSURANCE COMPANY OF FLORIDA)
 (NAIC # 19-10111)) **Market Conduct Investigation No. 420699**
)

STIPULATION OF SETTLEMENT

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter the “Division”), and American Bankers Insurance Company of Florida (hereinafter “ABIC”), as follows:

WHEREAS, the Division is a unit of the Missouri Department of Commerce and Insurance (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 of Missouri;

WHEREAS, ABIC has been granted a certificate of authority to transact the business of insurance in the State of Missouri;

WHEREAS, the Division conducted a market conduct investigation of ABIC, investigation no. 420699;

WHEREAS, ABIC disagrees with the alleged findings and denies any wrongdoing or activity that violates any applicable laws or regulations. However, ABIC has agreed to resolve all issues relating to Market Conduct Investigation No. 420699 through this Stipulation of Settlement and voluntarily enters into this Stipulation of Settlement solely for the purpose of reaching a compromise; and

WHEREAS, based on the market conduct investigation of ABIC the Division alleges that:

1. In five instances, ABIC did not implement reasonable standards for prompt investigation and settlement of claims and did not advise the insured of the acceptance or denial of the claim within 15

working days, per the provisions of § 375.1007(3), RSMo and violating 20 CSR 100-1.030(1)(B).¹

2. In four instances, ABIC did not provide an appropriate reply within ten working days, per the provisions of § 375.1007(2) and violating 20 CSR 100-1.030(1)(B).

3. In two instances, ABIC did not maintain a copy of all written communication and did not maintain the claim file to clearly show the inception, handling, and disposition of each claim, in violation of § 374.205.2(2) and 20 CSR 100-8.040(3)(B).

4. In one instance, ABIC did not provide status letters to the insured that specified the reasons more time was needed to process the claim, per the provisions of § 375.1007(3) and violating 20 CSR 100-1.050(1)(C).

WHEREAS, the Division and ABIC have agreed to resolve the issues raised in the market conduct investigation as follows:

A. **Scope of Agreement.** This Stipulation of Settlement (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.** ABIC agrees to take remedial action bringing it into compliance with the statutes and regulations of Missouri and agrees to maintain those remedial actions at all times. Such remedial actions shall include the following:

1. For all five claims identified by the Division in finding 1, ABIC agrees to pay interest to each claimant calculated pursuant to § 374.191, § 32.065, and 12 CSR 10-41.010 for all claim payments in which a delay in the processing and settlement of the claim occurred. Each payment shall be accompanied

¹ All statutory references, unless otherwise noted, are to the 2016 Revised Statutes of Missouri.

by a letter stating that it was determined that additional payment was owed as the result of a Missouri Market Conduct Investigation.

2. ABIC agrees to conduct a review to ensure that its claim handling guidelines provide clear direction to adjusters for timely responses to insureds and claimants, required notifications regarding the status of the claim, and timeframes for processing documentation received for a claim, in accordance with Missouri law. The review shall include updating existing guidelines and creating any new guidelines as necessary.

3. ABIC agrees to ensure that all claim files are maintained to clearly show the handling of the claim, including documentation for written communications sent to insureds and claimants.

C. **Compliance.** ABIC agrees to file documentation pursuant to § 374.190 with the Division, in a format acceptable to the Division, within 90 days of the entry of an Order approving this Stipulation of any remedial action taken to implement compliance with the terms of this Stipulation.

D. **Non-Admission.** Nothing in this Stipulation shall be construed as an admission by ABIC, this Stipulation being part of a compromise settlement to resolve disputed factual and legal allegations arising out of the above referenced market conduct investigation. ABIC does not agree with certain findings in Market Conduct Investigation No. 420699, and it is the position of ABIC that this Stipulation is a compromise of disputed facts and legal allegations. This Stipulation is a result of a negotiated settlement and does not represent an admission of any part on behalf of ABIC. The signing of this Stipulation and ABIC's consent does not constitute an admission of wrongdoing or liability on the part of ABIC and is done to fully, finally and completely resolve all the matters encompassed within the scope of this Stipulation and Market Conduct Investigation No. 420699 without further regulatory or administrative process or any actions, requirements or monetary payments beyond those enumerated herein.

E. **Waivers.** ABIC, after being advised by legal counsel, does hereby voluntarily and

knowingly waive any and all rights to 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 the market conduct investigation no. 420699.

F. **Amendments.** No amendments to this Stipulation shall be effective unless made in writing and agreed to by authorized representatives of the Division and ABIC.

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

H. **Authority.** The signatories below represent, acknowledge and warrant that they are authorized to sign this Stipulation, on behalf of the Division and ABIC, respectively.

I. **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. Execution by facsimile or by electronically transmitted signature shall be fully and legally effective and binding.

J. **Effect of Stipulation.** This Stipulation shall not become effective until entry of an Order by the Director of the Department (hereinafter "Director") approving this Stipulation.

K. **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.

DATED: November 25, 2024



Teresa Kroll
Chief Market Conduct Examiner
Division of Insurance Market Regulation

DATED: 11/21/2024


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Name: Don Johnson
Title: SVP Global Housing Claims
American Bankers Insurance Company of Florida