



DEPARTMENT OF COMMERCE & INSURANCE

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

In Re:

AIG PROPERTY CASUALTY
COMPANY (NAIC #19402)

Market Conduct Investigation No. 439620

ORDER OF THE DIRECTOR

NOW, on this 20th day of July, 2025, Director Angela L. Nelson, after consideration and review of the Stipulation of Settlement (hereinafter "Stipulation") entered into by the Division of Insurance Market Regulation (hereinafter "Division") and AIG Property Casualty Company (NAIC #19402) (hereinafter "AIG"), relating to the market conduct investigation no. 439620, 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 AIG and the Division.

IT IS FURTHER ORDERED that AIG 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 21st day of July, 2025.




Angela L. Nelson
Director

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

In Re:

**AIG PROPERTY CASUALTY COMPANY
(NAIC #19402)**

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Market Conduct Investigation No. 439620

STIPULATION OF SETTLEMENT

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter the “Division”), and AIG Property Casualty Company (hereinafter “AIG”), 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, AIG 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 AIG, investigation no. 439620; and

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

1. AIG’s Missouri Tiering Rule limited tier movement at renewal to a maximum of two tiers instead of placing the insured in the tier where they would have been placed if they were a new applicant, in violation of §379.470¹.

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

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

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.** AIG 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. AIG agrees to issue refunds to the seven policyholders identified in the investigation who were overcharged through the application of the two-tier rule. Interest shall be included with the refunded payments pursuant to §374.191. A letter will also be included with the payment indicating that as a result of a Missouri Market Conduct Investigation, it was determined that a premium refund is owed to the policyholder.

2. AIG agrees to review all private passenger automobile policies issued from May 1, 2022 to the date of the Order approving this Stipulation to determine if any policyholders were overcharged through the application of the two-tier rule. An overcharge occurs when a policy at renewal is reduced only two tiers when the policy would qualify for a lower tier based on underwriting criteria applied to new policies. Interest shall be included with the refunded payments pursuant to §374.191. A letter will also be included with the payment indicating that as a result of a Missouri Market Conduct Investigation, it was determined that a premium refund is owed to the policyholder.

C. **Compliance.** AIG agrees to file documentation pursuant to § 374.190 with the Division, in a format acceptable to the Division, within 120 days of the entry of an Order approving this Stipulation of any remedial action taken to implement compliance with the terms of this Stipulation, including the

payment of refunds to policyholders.

D. **Non-Admission.** Nothing in this Stipulation shall be construed as an admission by AIG, this Stipulation being part of a compromise settlement to resolve disputed factual and legal allegations arising out of the above-referenced market conduct investigation.

E. **Waivers.** AIG, 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. 439620.

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

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 AIG, respectively.

I. **Counterparts and Electronic Signature.** 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 the entry of an Order by the 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: July 18, 2025



Teresa Kroll
Chief Market Conduct Examiner
Division of Insurance Market Regulation

DATED: June 30, 2025



Name: Steven Harris
Title: Vice President
AIG Property Casualty Company