



DEPARTMENT OF COMMERCE & INSURANCE

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

In Re:

ESURANCE INSURANCE
COMPANY (NAIC #25712)

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Market Conduct Investigation No. 456969

ORDER OF THE DIRECTOR

NOW, on this 3rd day of October, 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 Esurance Insurance Company (NAIC #25712) (hereinafter "Esurance"), relating to the market conduct investigation no. 456969, 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 Esurance and the Division.

IT IS FURTHER ORDERED that Esurance 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 3rd day of October, 2025.




Angela L. Nelson
Director

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

In Re:)

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**ESURANCE INSURANCE COMPANY)Market Conduct Investigation No. 456969
(NAIC #25712))**

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STIPULATION OF SETTLEMENT

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter the “Division”) and Esurance Insurance Company (hereinafter “Esurance”), 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, Esurance 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 Esurance, investigation no. 456969; and

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

1. Esurance was taking into consideration violations and accidents when determining rate factors for Uninsured Motorist (“UM”) and Comprehensive (“CP”) coverages, in violation of §379.470 (1)¹ and 20 CSR 500-2.700 (1).

2. Esurance utilized policy language that allows for a reduction in claim payments issued for medical payments (“MP”) coverage due to a setoff with payments issued under uninsured motorist

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

("UM") coverage in violation of §375.1007 (1) and §375.1005.

WHEREAS, the Division and Esurance 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. Esurance 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. Esurance agrees to submit and maintain rate factors for CP and UM coverages that are not modified by accidents and violations, including rate-neutral factors for Tier Factors and the Driver Point Matrix Factors. The SERFF filing, if it has not already been made, shall include the statement that "the filing is being made as a result of a Missouri Market Conduct Investigation."

2. Esurance agrees to review all automobile policies from August 1, 2022, to the date of the filing referenced in Section B 1 to determine if premium for UM or CP was increased as a result of an accident or violation. If premium was affected, Esurance agrees to issue a refund to the affected policyholder for the difference between the premium charged and the premium that would have been charged if the accidents or violations were not considered. Interest, in an amount to be determined pursuant to §374.191, will be included with the refund payments. 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 was due to the policyholder.

3. Esurance agrees to file and maintain policy language or an amendatory endorsement that amends the language in Part II: Medical Payments Coverage and Part III: Uninsured Motorist Coverage to comply with 20 CSR 500-2.100(2)(G)1. The SERFF filing, if it has not already been made, shall include the statement that “the filing is being made as a result of a Missouri Market Conduct Investigation.”

4. Esurance agrees to review all automobile claims from August 1, 2022, to the date of the Order approving this Stipulation to determine if claim payments for MP coverage were reduced due to a setoff with payments issued under UM coverage. If MP claim payments were reduced, Esurance agrees to issue payment on the claim under MP coverage in an amount that the claimant would have received if UM payments were not taken into consideration. Interest, in an amount to be determined pursuant to §374.191, will be included with the refund payments. A letter will also be included with the payment, indicating that, as a result of a Missouri Market Conduct Investigation, it was determined that an additional claim payment was due to the policyholder.

5. For a period of one year after the date of the Order approving this Stipulation, Esurance agrees to conduct semi-annual audits of 50 random Missouri closed UM claim files during each audit period for compliance with Missouri law, including but not limited to §375.1007 (1) and remedial action 3. The first audit period will begin on the date of the Order adopting this Stipulation and continue for six months. The second audit period will begin the day after the previous audit period ended and continue for six months. If the audit results determine that claim payments for MP coverage were reduced due to a setoff with payments issued under UM coverage, Esurance agrees to issue payment on the claim under MP coverage in an amount that the claimant would have received if UM payments were not taken into consideration. Interest, in an amount to be determined pursuant to §374.191, will be included with the refund payments. A letter will also be included with the payment, indicating that, as a result of a Missouri Market Conduct Investigation, it was determined that an additional claim payment was due to the policyholder. Esurance

shall report the results of each audit as requested by the Division within 60 days of the end of each audit period.

C. Compliance. Esurance agrees to file documentation pursuant to § 374.190 with the Division, in a format acceptable to the Division of any remedial action taken to implement compliance with the terms of this Stipulation, including the payment of premium refunds to policyholders and additional payments made to claimants. Such documentation shall be provided within 90 days of the date of the entry of the Order approving this Stipulation unless otherwise specified in Section B above.

D. Non-Admission. Nothing in this Stipulation shall be construed as an admission by Esurance, 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. Esurance, 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. 456969.

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

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 Esurance, 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 entry of an Order by the Director approving this Stipulation.

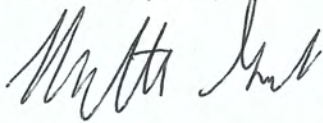
K. Request for an Order. The signatories below request that the Director issue an Order approving this Stipulation and ordering the relief agreed to in the Stipulation, and consent to the issuance of such Order.

DATED: October 1, 2025



Teresa Kroll
Chief Market Conduct Examiner
Division of Insurance Market Regulation

DATED: 9/19/25



Name: Matthew Gough
Title: Director Product Management
Esurance Insurance Company