

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

In Re:)
)
EQUITY INSURANCE COMPANY) **Market Conduct Examination No. 317014**
(NAIC #28746)) **NAIC MATS NO. MO-HICKSS1-94**

ORDER OF THE DIRECTOR

NOW, on this 8th day of April, 2020, Director, Chlora Lindley-Myers, after consideration and review of the market conduct examination report of Equity Insurance Company (NAIC #28746) (hereinafter “Equity”), examination report number 317014, prepared and submitted by the Division of Insurance Market Regulation (hereinafter “Division”) pursuant to §374.205.3(3)(a)¹, does hereby adopt such report as filed. After consideration and review of the Stipulation of Settlement and Voluntary Forfeiture (“Stipulation”), the examination report, relevant work papers, and any written submissions or rebuttals, the findings and conclusions of such report are deemed to be the Director’s findings and conclusions accompanying this order pursuant to §374.205.3(4). Director does hereby issue the following orders:

This order, issued pursuant to §374.205.3(4), §374.280 RSMo, and §374.046.15. RSMo, is in the public interest.

IT IS THEREFORE ORDERED that Equity and the Division having agreed to the Stipulation, the Director does hereby approve and agree to the Stipulation.

IT IS FURTHER ORDERED that Equity shall not engage in any of the violations of law 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, and to 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 Missouri Revised Statutes 2016 as amended.

IT IS FURTHER ORDERED that Equity shall pay, and the Department of Commerce and Insurance, State of Missouri, shall accept, the Voluntary Forfeiture of \$1,000.00 payable to the Missouri State School Fund in connection with examination no. 317014.

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 08th day of April, 2020.



Chlora Lindley-Myers
Chlora Lindley-Myers
Director

**IN THE DEPARTMENT OF COMMERCE AND INSURANCE
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In Re:)
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 (NAIC #28746)) **NAIC MATS NO. MO-HICKSS1-94**

STIPULATION OF SETTLEMENT AND VOLUNTARY FORFEITURE

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter “the Division”) and Equity Insurance Company (NAIC #28746) (hereinafter “Equity”), 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, Equity 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 Examination of Equity, and prepared an examination report #317014 attached hereto and incorporated herein.

WHEREAS, based on the Market Conduct Examination Report of Equity, the Division alleges that:

1. In one instance, Equity did not implement reasonable standards for the settlement of claims arising under its policies implicating the provisions of §375.1007(3)¹.
2. In 16 instances, Equity failed to list the deductible amounts on the Sales Tax Affidavits in violation of §375.1007(3), §375.1005(2), §144.027, and 20 CSR 100.8.040(3)(B)(3).

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

3. In 11 instances, Equity failed to document claims files with a copy of the Sales Tax Affidavit in violation of §375.1007(3), §375.1005(2), §374.205.2(2), and 20 CSR 100.8.040(3)(B)(3).

4. In one instance, Equity failed to effectuate a fair and equitable settlement implicating the provisions of §375.1007(1), §375.1007(3) and §375.1007(4).

WHEREAS, the Division and Equity have agreed to resolve the issues raised in the Market Conduct Examination 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.** Equity agrees to take remedial action bringing it into compliance with the statutes and regulations of Missouri and agrees to maintain such remedial actions at all times, to reasonably ensure that the errors noted in the Market Conduct Examination Report do not recur. Such remedial actions shall consist of the following:

1. Equity agrees to review its total loss procedures and issuance of sales tax affidavits to ensure the information on the sales tax affidavit given to insureds is complete and accurate including listing the deductible amount applied to the actual cash value of the vehicle.

2. Equity agrees to conduct a review of all first party automobile total loss claims settled at any time from January 1, 2015 through December 31, 2017, in which the insured was provided a sales tax affidavit, to determine if the Company failed to apply the owner’s deductible amount to the actual cash value of the vehicle. If the Company omitted the deductible from the sales tax affidavit; thereby, reducing the amount of the sales tax credit for which the insured was

eligible for, Equity shall pay restitution to the claimant in the amount of the sales tax credit for the deductible plus accrued interest. Interest will be included at a rate to be calculated pursuant to §374.191. A letter shall be included with the remediation indicating that as a result of a Missouri Market Conduct Examination, it was found that a refund was due the insured.

3. Equity agrees that if it provides a claimant with a sales tax affidavit pursuant to §144.027, it will document each claim file with a copy of the sales tax affidavit in accordance with 20 CSR 100-8.040(3)(B)(3).

4. Equity agrees to adhere to its claim guidelines going forward for the investigation and settlement of claims.

C. **Compliance.** Equity agrees to file documentation with the Division, in a format acceptable to the Division, within 30 days of the entry of a final order of any remedial action taken pursuant to Paragraph B to implement compliance with the terms of this Stipulation. Such documentation is provided pursuant to §374.205.

D. **Fees.** Equity agrees to pay any reasonable examination fees expended by the Division in conducting its review of the documentation provided by Equity pursuant to Paragraphs B and C of this Stipulation.

E. **Voluntary Forfeiture.** Equity agrees, voluntarily and knowingly, to surrender and forfeit the sum of \$1,000.00 such sum payable to the Missouri State School Fund, in accordance with §374.049.11 and §374.280.2.

F. **Other Penalties.** The Division agrees that it will not seek penalties against equity, other than those agreed to in this Stipulation, in connection with the above referenced Market Conduct Examination.

G. **Non-Admission.** Nothing in this Stipulation shall be construed as an admission by Equity, this Stipulation being part of a compromise settlement to resolve disputed factual and legal

allegations arising out of the above referenced market conduct examination.

H. **Waivers.** Equity, after being advised by legal counsel, does 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 the above referenced Market Conduct Examination.

I. **Changes.** No changes to this Stipulation shall be effective unless made in writing and agreed to by representatives of the Division and Equity.

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


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

L. **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 and delivery of this Stipulation by facsimile or by an electronically transmitted signature shall be fully and legally effective and binding.

M. **Effect of Stipulation.** This Stipulation shall become effective only upon entry of a Final Order by the Director of the Department (hereinafter the "Director") approving this Stipulation.

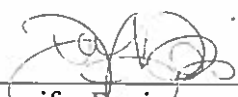
N. **Request for an Order.** The signatories below request that the Director issue an Order approving this Stipulation, adopting the Report, and ordering the relief agreed to in the Stipulation, and consent to the issuance of such Order.

DATED: 3/18/2020



Stewart Freilich
Chief Market Conduct Examiner and
Senior Counsel
Division of Insurance Market Regulation

DATED: 3/12/2020



Jennifer Davis
Executive Vice President and Secretary
Equity Insurance Company

STATE OF MISSOURI
DEPARTMENT OF COMMERCE & INSURANCE



FINAL MARKET CONDUCT EXAMINATION REPORT
Property and Casualty Business of

Equity Insurance Company
NAIC Group #3179
NAIC #28746

MISSOURI EXAMINATION #317014

NAIC EXAM TRACKING SYSTEM # MO-HICKSS1-94

March 17, 2020

Equity Insurance Company
616 S. Boston, Suite 500
Tulsa, OK 74119

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FOREWORD

This is a targeted market conduct examination report of the Equity Insurance Company (NAIC Code # 28746). This examination was conducted as a desk examination at the office of the Missouri Department of Commerce and Insurance (DCI), located at 301 West High Street, Room 530, Jefferson City MO, 65102.

This examination report is generally a report by exception. However, failure to criticize specific practices, procedures, products or files does not constitute approval thereof by the DCI.

During this examination, the examiners cited potential violations made by the Company. Statutory citations were as of the examination period unless otherwise noted.

When used in this report:

- “Company” refers to Equity Insurance Company;
- “CSR” refers to the Missouri Code of State Regulation;
- “DCI” refers to the Missouri Department of Commerce and Insurance;
- “Director” refers to the Director of the Missouri Department of Commerce and Insurance;
- “NAIC” refers to the National Association of Insurance Commissioners;
- “RSMo” refers to the Revised Statutes of Missouri.

SCOPE OF EXAMINATION

The DCI has authority to conduct this examination pursuant to, but not limited to, §§374.110, 374.190, 374.205, 375.445, 375.938, and 375.1009, RSMo.

The purpose of this examination is to determine if the Company complied with Missouri statutes and DCI regulations and to consider whether the Company's operations are consistent with the public interest. The primary period covered by this review was January 1, 2015 through December 31, 2017, unless otherwise noted. However, errors outside of this time period found during the course of the examination may also be included in the report.

The examination included a review of the following areas of the Company's operations for its private passenger automobile business: claims handling, underwriting and complaint handling practices.

The examination was conducted in accordance with the standards in the NAIC's *Market Regulation Handbook*. As such, the examiners utilized the benchmark error rate guidelines from the *Market Regulation Handbook* when conducting reviews that applied a general business practice standard. The NAIC benchmark error rate for claims practices is seven percent (7%) and for other trade practices it is ten percent (10%). The benchmark error rates were not utilized, however, for reviews not applying to the general business practice standard.

In performing this examination, the examiners only reviewed a sample of the Company's practices, procedures, products and files. Therefore, some noncompliant practices, procedures, products and files may not have been discovered. As such, this report may not fully reflect all of the practices and procedures of the Company. Failure to identify or criticize improper or noncompliant business practices in this state or other jurisdictions does not constitute acceptance of such practices.

COMPANY PROFILE

The following profile was provided to the examiners by the Company:

Home State County Mutual Insurance Company was chartered in September of 1948 as Grand County Mutual Insurance Company in Dallas, Texas. In October 1949, the name was changed to Home State County Mutual Fire Insurance Company. Home State's primary business at the time was fire insurance for low-value dwellings. Clifton E. Davis purchased the General Managers contract in November 1957 and Mr. Davis took over as President and General Manager in February 1966. In 1970, Home State County Mutual Fire Insurance Company officially moved its offices to Waco. Home State Agency, Inc. was incorporated on February 1, 1970 for the purpose of managing Home State County Mutual Fire Insurance Company. The management contract stated that Home State Agency, Inc. would handle the day-to-day operations, including approving and appointing general agents, handling claims, maintaining proper insurance accounting procedures, and preparing annual statements. John M. Davis took over as President in February of 1972. By 1976, Home State's primary business had shifted to private passenger automobile insurance.

In 1982, Motors Insurance Corporation, a division of General Motors, acquired Home State Agency, Inc. and changed the name to MIC County Mutual Insurance Company of Texas and took control of the day-to-day operations. MIC retained control until June 1992 when John M. Davis and Home State General Agency, Inc. acquired MICCMIC of Texas and changed the name to Home State County Mutual Insurance Company. The Davis family remained involved during these years, however, as a Managing General Agent of MICCMIC. The reacquisition brought about a new chapter in Home State's history. Home State County Mutual began offering Program business in addition to its direct writings.

In September 2001, Home State General Agency, Inc. was renamed as Home State Insurance Group, Inc. and purchased what is now known as Equity Insurance Company. Equity Insurance Company is an insurer of private passenger autos writing direct business in two states, Oklahoma and Arkansas. Equity is currently licensed to do business in 28 states. The operations center, including Customer Service, Underwriting, and claims, for Equity is located in Tulsa, Oklahoma.

EXECUTIVE SUMMARY

The DCI conducted a targeted market conduct examination of the Equity Insurance Company. The examiners found the following areas of concern:

- The examiners found one instance where the Company failed to investigate and pursue recovery directly from the other party involved in the accident.
- The examiners found 16 instances where the Company failed to list the deductible amounts on sales tax affidavits.
- The examiners found 11 instances where the Company failed to maintain copies of sales tax affidavits.
- The examiners found one instance where the Company failed to pay the claimant a total loss settlement of \$1,583.40.

EXAMINATION FINDINGS

I. CLAIMS PRACTICES

This section of the report is designed to provide a review of the Company's claims handling practices. The examiners reviewed how the Company handled claims to determine the timeliness of handling, accuracy of payment, adherence to contract provisions, and compliance with Missouri statutes and regulations.

To minimize the duration of the examination, while still achieving an accurate evaluation of claims practices, the examiners reviewed a statistical sample of the claims processed. The examiners requested a list of claims paid and claims not paid during the examination period for the line of business under review. The review consisted of Missouri claims selected from a list furnished by the Company with a date of closing from January 1, 2015, through December 31, 2017.

A claim file is determined in accordance with 20 CSR 100-8.040 and the NAIC's *Market Regulation Handbook*. Error rates are established when testing for compliance with laws that apply a general business practice standard (e.g., §§375.1000 – 375.1018 and 375.445 RSMo) and compared with the NAIC benchmark error rate of seven percent (7%). Error rates in excess of the NAIC benchmark error rates are presumed to indicate a general business practice. Errors indicating a failure to comply with laws that do not apply the general business practice standard are separately noted as errors and are not included in the error rate calculations.

A claim error includes, but is not limited to, any of the following:

- An unreasonable delay in the acknowledgement of a claim.
- An unreasonable delay in the investigation of a claim.
- An unreasonable delay in the payment or denial of a claim.
- A failure to calculate claim benefits correctly.
- A failure to comply with Missouri law regarding claim settlement practices.

The examiners reviewed the claim files for timeliness. In determining timeliness, the examiners determined the duration of time the Company used to acknowledge the receipt of the claim, investigate the claim, and provide payment or a written denial of the claim.

DCI regulations require companies to abide by the following parameters for claims processing:

- Acknowledgement of the notification of a claim must be made within 10 working days.
- Completion of the investigation of a claim must be made within 30 calendar days after notification of the claim. If more time is needed, the Company must notify the claimant and send follow-up letters every 45 days.
- Payment or denial of a claim must be made within 15 working days after the

investigation of the claim is complete.

Missouri statutes also require the Company to disclose to first-party claimants all pertinent benefits, coverage or other provisions of an insurance policy under which a claim is presented. Claim denials must be given to the claimant in writing and the Company must maintain a copy in its claim files.

In addition, the examiners reviewed the Company's claim handling processes to determine compliance with contract provisions and adherence to unfair claims settlement practices statutes and regulations. Whenever information in the claim file reflected that the Company failed to meet these standards, the examiners cited the Company for noncompliance.

A. Private Passenger Automobile Paid Claims

1. Claims Time Studies

The examiners requested a sample from the total population of Missouri Private Passenger Automobile claims paid during the examination period.

a. Acknowledgment

Field Size:	1,642
Sample Size:	107
Type of Sample:	Random
Number of Errors:	0

The examiners found no issues or concerns.

b. Investigation

Field Size:	1,642
Sample Size:	107
Type of Sample:	Random
Number of Errors:	0

The examiners found no issues or concerns.

c. Determination

Field Size:	1,642
Sample Size:	107
Type of Sample:	Random
Number of Errors:	0

The examiners found no issues or concerns

2. Unfair Claims Practices

The examiners requested a sample from the total population of Missouri Private Passenger Automobile claims paid during the examination period.

A. Failure to implement reasonable standards in the settlement of claims.

Field Size: 1,642
 Sample Size: 107
 Type of Sample: Random
 Number of Errors: 1
 Error Ratio: 1.0%
 Within DCI Guidelines: Yes

The examiners found one instance where the Company failed to investigate and pursue recovery directly from the other party involved in the accident.

Claim Number
xxxxxx1625

Reference: §375.1007(3) RSMo.

B. Failure to implement reasonable standards in the settlement of total loss claims.

Field Size: 1,642
 Sample Size: 107
 Type of Sample: Random
 Number of Errors: 16
 Error Ratio: 15.0%
 Within DCI Guidelines: No

The examiners found 16 instances where the Company failed to list the deductible amounts on the Sales Tax Affidavits which reduced the sales tax credit that the insureds were eligible for resulting in underpayments.

Claim Number	Claim Underpayment	Interest	Total Underpayment	Paid Y/N
xxxxxx9884	\$43.75	\$16.01	\$59.81	Yes
xxxxxx2432	\$44.88	\$20.71	\$65.59	Yes
xxxxxx2799	\$39.88	\$15.99	\$55.87	Yes
xxxxxx3461	\$38.63	\$16.83	\$55.46	Yes
xxxxxx3557	\$43.75	\$18.72	\$62.47	Yes
xxxxxx0064	\$77.00	\$27.18	\$104.18	Yes

xxxxxx6146	\$33.00	\$10.89	\$43.89	Yes
xxxxxx3684	\$33.38	\$10.76	\$44.14	Yes
xxxxxx3737	\$39.75	\$12.96	\$52.71	Yes
xxxxxx3918	\$42.38	\$13.18	\$55.56	Yes
xxxxxx4544	\$88.50	\$27.89	\$116.39	Yes
xxxxxx9321	\$39.25	\$14.71	\$53.96	Yes
xxxxxx9343	\$156.50	\$59.94	\$216.44	Yes
xxxxxx9581	\$82.25	\$31.00	\$113.25	Yes
xxxxxx2625	\$43.75	\$10.16	\$53.91	Yes
xxxxxx3296	\$40.50	\$8.40	\$48.90	Yes

Reference: §§375.1007(3) & 144.027 RSMo., and 20 CSR 100-8.040(3)(B)3

Field Size: 1,642
Sample Size: 107
Type of Sample: Random
Number of Errors: 11
Error Ratio: 10.3%
Within DCI Guidelines: No

C. The examiners found 11 instances where the Company failed to maintain copies of the Sales Tax Affidavits.

Claim Number
xxxxxx2248
xxxxxx7404
xxxxxx8226
xxxxxx9989
xxxxxx0255
xxxxxx4400
xxxxxx3676
xxxxxx8464
xxxxxx0735
xxxxxx1238
xxxxxx3235

Reference: §§375.1007(3) and 20 CSR 100-8.040(3)(B)3

B. Non-Paid Claims

1. Claims Time Studies

The examiners requested a sample from the total population of Missouri Private Passenger Automobile claims not paid during the examination period.

a. Acknowledgment

Field Size:	1,797
Sample Size:	107
Type of Sample:	Random
Number of Errors:	0

The examiners found no issues or concerns.

b. Investigation

Field Size:	1,797
Sample Size:	107
Type of Sample:	Random
Number of Errors:	0

The examiners found no issues or concerns.

c. Determination

Field Size:	1,797
Sample Size:	107
Type of Sample:	Random
Number of Errors:	0

The examiners found no issues or concerns.

2. Unfair Claims Practices

The examiners requested a sample from the total population of Missouri Private Passenger Automobile claims not paid during the examination period.

A. Failure to effectuate a fair and equitable settlement

Field Size:	1,797
Sample Size:	107
Type of Sample:	Random
Number of Errors:	1
Error Ratio:	1.0%
Within DCI Guidelines:	Yes

1. The examiners found one instance where the Company failed to pay the claimant, with the owner retaining the salvage, resulting in a \$1,583.40 claim underpayment.

Claim Number	Claim Underpayment	Interest	Total Underpayment	Paid Y/N
xxxxxx1879	\$1,583.40	\$444.72	\$2,028.12	Yes

Reference: §375.1007(1), (3) & (4) RSMo.

II. UNDERWRITING AND RATING PRACTICES

This section of the report is designed to provide a review of the Company's underwriting and rating practices. These practices included the use of policy forms, adherence to underwriting guidelines, assessment of premium, and procedures to decline or terminate coverage. Examiners reviewed the Company's handling of new and renewal policies to determine whether the Company underwrote and rated risks consistent with its own underwriting guidelines, filed rates, and Missouri statutes and regulations.

Because of the time and cost involved in reviewing each policy/underwriting file, the examiners utilized sampling techniques in conducting compliance testing. A policy/underwriting file is reviewed in accordance with 20 CSR 100-8.040 and the NAIC *Market Regulation Handbook*. Error rates are established when testing for compliance with laws that apply a general business practice standard (e.g., §§375.930 – 375.948 and 375.445 RSMo.) and compared with the NAIC benchmark error rate of ten percent (10%). Error rates in excess of the NAIC benchmark error rate are presumed to indicate a general business practice. Errors indicating a failure to comply with laws that do not apply the general business practice standard are separately noted as errors and are not included in the error rate calculations.

The examiners requested the Company's underwriting and rating manuals for the lines of business under review. This included all rates, guidelines and rules that were in effect on the first day of the examination period and at any point during that period to ensure that the examiners could properly rate each policy reviewed.

The examiners also reviewed the Company's procedures, rules and forms filed by or on behalf of the Company with the DCI. The examiners used a census or randomly selected the files for review from a listing furnished by the Company.

The examiners also requested a written description of significant underwriting and rating changes that occurred during the examination period for underwriting files that were maintained in an electronic format.

An error includes, but is not limited to, any miscalculation of the premium based on the information in the file, an improper acceptance or rejection of an application, the misapplication of the Company's underwriting guidelines, incomplete file information

preventing the examiners from readily ascertaining the Company's rating and underwriting practices, and any other activity indicating a failure to comply with Missouri statutes and regulations.

A. Forms and Filings

The examiners reviewed the Company's policy and contract forms to determine its compliance with filing, approval, and content requirements to ensure that the contract language is not ambiguous or misleading and is adequate to protect those insured.

The examiners found no issues or concerns.

B. Cancellation and Nonrenewal Policies

This section of the report provides a review of the Company's cancellation, non-renewal and declination practices. The examiners reviewed how the Company declines applications, cancels and non-renews policies in order to ensure that it was performing these practices according to its own company guidelines, Missouri statutes, and DCI regulations.

The examiners requested a data download of all non-active policies. Policies were then randomly selected for review. When the number of policies in the population was less than 100, the examiners selected each file, or a census, for review.

The examiners reviewed applications for coverage that were issued, modified, or declined by the Company in order to determine the accuracy of rating and adherence to prescribed and acceptable underwriting criteria.

The following are the results of the reviews:

Field Size:	42,408
Sample Size:	116
Type of Sample:	Random
Number of Errors:	0
Error Ratio:	0.0%

The examiners found no issues or concerns.

III. COMPLAINTS

This section of the report provides a review of the Company's complaint handling practices. The examiners reviewed how the Company handles complaints to ensure it was adhering to its own guidelines and Missouri statutes and regulations.

Section 375.936(3) RSMo requires companies to maintain a registry of all written complaints received. The registry must include all Missouri complaints, including those sent directly to the DCI and those sent directly to the Company.

The examiners verified the Company's complaint registry, dated January 1, 2015, to December 31, 2017. The registry contained a total of 20 complaints. The examiners reviewed all 20.

A. Complaints Sent Directly to the DCI

The examiners reviewed the nature of each complaint, the disposition of the complaint, and the time taken to process the complaint as required by §375.936(3) RSMo and 20 CSR 100-8.040(3)(D).

The examiners found no issues or concerns.

B. Complaints Sent Directly to the Company

The examiners requested and received copies of the Company's complaint files sent directly to the Company.

The examiners found no issues or concerns.

IV. CRITICISMS AND FORMAL REQUESTS TIME STUDY

This study is based upon the time required by the Company to provide the examiners with requested material or to respond to criticisms. Missouri law requires companies to respond to criticisms and formal requests within 10 calendar days. In the event an extension was requested by the Company and granted by the examiners, the response was deemed timely if it was received within the subsequent time frame. If the response was not received within that time period, the response was not considered timely. The examiners found no issues or concerns.

A. Criticism Time Study

Calendar Days	Number of Criticisms	Percentage
Received w/in time limit, including any extensions	7	100.00%
No Response	0	0.00%
Total	7	100.00%

Reference: §374.205.2(2), RSMo and 20 CSR 100-8.040

B. Formal Request Time Study

Calendar Days	Number of Requests	Percentage
Received w/in time limit, including any extensions	8	100.00%
No Response	0	0.00%
Total	8	100.00%

Reference: §374.205.2(2), RSMo and 20 CSR 100-8.040

EXAMINATION REPORT SUBMISSION

Attached hereto is the Division of Insurance Market Regulation's Final Report of the examination of Equity Insurance Company (NAIC #28746), Examination Number 317014. This examination was conducted by Shelly L. Herzing, CIE, MCM, SCLA, Examiner-in-Charge, Dale Hobart, Examiner, Dennis Foley, Examiner, Tad Herin, Examiner, and Jon Meyer, Examiner. The findings in the Final Report were extracted from the Market Conduct Examiner's Draft Report, dated October 28, 2019. Any changes from the text of the Market Conduct Examiner's Draft Report reflected in this Final Report were made by the Chief Market Conduct Examiner or with the Chief Market Conduct Examiner's approval. This Final Report has been reviewed and approved by the undersigned.

3/17/2020
Date

Stewart Freilich
Stewart Freilich
Chief Market Conduct Examiner