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I.S.B. No. 3873

FILED 

NOV 29 2010

Department of Insurance
State of Idaho

Attorneys for Idaho Department of Insurance

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

In the Matter of:)	Docket No. 18-2582-09
)	
PROGRESSIVE NORTHWESTERN)	STIPULATION
INSURANCE COMPANY,)	
Foreign Certificate of Authority)	
No. 1822; and)	
)	
PROGRESSIVE DIRECT)	
INSURANCE COMPANY,)	
Foreign Certificate of Authority)	
No. 2872;)	
Respondents.)	
)	

The Petitioner, the staff of the Idaho Department of Insurance (hereinafter "DEPARTMENT") and its attorney-of-record, John C. Keenan, Deputy Attorney General, and the Respondents, Progressive Northwestern Insurance Company and Progressive Direct Insurance Company (hereinafter collectively "PROGRESSIVE COMPANIES"), and their attorney-of-record, John W. Domeck, Esq., do hereby enter into this Stipulation to settle the

above-entitled matter and for entry of a Final Order in accordance with this Stipulation as follows:

1. That the Director of the Idaho Department of Insurance has jurisdiction over this matter in accord with Title 41, Idaho Code.

2. That PROGRESSIVE COMPANIES are foreign insurance companies doing business in Idaho. Progressive Northwestern Insurance Company operates under Certificate of Authority No. 1822, and Progressive Direct Insurance Company operates under Certificate of Authority No. 2872.

3. That, after a DEPARTMENT investigation in which PROGRESSIVE COMPANIES fully cooperated had been completed in 2007, the DEPARTMENT learned that on sixteen (16) separate occasions PROGRESSIVE COMPANIES had either failed to properly report certain vehicles as a “salvage vehicle” or “totaled” as defined in Idaho Code § 49-524, *et seq.*, to the Idaho Department of Transportation or had provided information that the vehicles were titled without giving notice of a salvage vehicle as required by law.

4. That the DEPARTMENT believes such conduct as described in paragraph 3 is a violation of Idaho Code § 49-524.

5. That, as a result of said investigation, PROGRESSIVE COMPANIES, upon notification from the DEPARTMENT, took certain and positive measures to mitigate past occasions and made remedial measures to correctly handle salvage vehicle titles in the future.

6. That, based upon the foregoing and after discussion between the parties and without any admission of any liability or wrongdoing on the part of PROGRESSIVE COMPANIES, the parties agree that, in order to fully and finally settle this matter, PROGRESSIVE COMPANIES will pay to the Idaho Department of Insurance the sum of Two

Thousand Dollars (\$2,000.00) per violation, for a total of (Thirty Two Thousand Dollars) \$32,000.00; and that both PROGRESSIVE COMPANIES as signatories to this stipulation shall be jointly responsible for the amount of the administrative penalty.

7. That the parties hereto hereby waive their right to notice and hearing at which they may be represented by counsel, present evidence, and examine witnesses. The parties hereto also waive their right to submit this matter for review by a court of competent jurisdiction.

8. That the parties hereto have reviewed the proposed Final Order and agree as to its form and that said Final Order may be submitted to the Director of the Idaho Department of Insurance for his review and signature.

9. That upon entry of the Final Order herein, the parties acknowledge that the matter that gives rise to the cause herein is fully and finally settled between the parties.

10. IT IS SO AGREED.

DATED this 18TH day of NOVEMBER 2010.

**PROGRESSIVE NORTHWESTERN
INSURANCE COMPANY**

By 

Its SECRETARY

**PROGRESSIVE DIRECT INSURANCE
COMPANY**

By 

Its SECRETARY


Stipulation and Final Order approved as to form.

By 

John W. Domeck, Esq.,
Attorney for PROGRESSIVE COMPANIES


DATED this 29th day of November 2010.

IDAHO DEPARTMENT OF INSURANCE

By 

Georgia Siehl
Bureau Chief
Company Activities

Stipulation and Final Order approved as to form.

By 

John C. Keenan, for the Department
Deputy Attorney General

LAWRENCE G. WASDEN
Attorney General

JOHN C. KEENAN
Deputy Attorney General
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Department of Insurance
State of Idaho

Attorneys for Idaho Department of Insurance

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE
STATE OF IDAHO**

In the Matter of:)	Docket No. 18-2582-09
)	
PROGRESSIVE NORTHWESTERN)	FINAL ORDER
INSURANCE COMPANY,)	
Foreign Certificate of Authority)	
No. 1822; and)	
)	
PROGRESSIVE DIRECT)	
INSURANCE COMPANY,)	
Foreign Certificate of Authority)	
No. 2872;)	
Respondents.)	
)	

The Director of the Idaho Department of Insurance ("Director") having been apprised of the above-entitled matter, having reviewed the record and stipulation executed by the parties and on file herein, having good cause shown that an appropriate order may be entered herein, and in consideration of the premises, finds and orders as follows:

1. That the Director has jurisdiction over this matter pursuant to Title 41, Idaho Code.

2. That the Director finds that the matters set forth in the Stipulation signed by the parties hereto are a reasonable and just solution to the dispute between the parties hereto and adopts said stipulation and incorporates it herein as if set forth in full.

THEREFORE, IT IS HEREBY ORDERED that the Stipulation executed by the parties hereto is ADOPTED as an Order of the Director; and

IT IS FURTHER ORDERED that PROGRESSIVE NORTHWESTERN INSURANCE COMPANY (Foreign Certificate of Authority No. 1822) and PROGRESSIVE DIRECT INSURANCE COMPANY (Foreign Certificate of Authority No. 2872) shall be jointly responsible to pay, and shall pay, to the Idaho Department of Insurance the sum of Thirty Two Thousand Dollars (\$32,000.00) as an administrative penalty; and,

IT IS FURTHER ORDERED that, upon payment in full of said sum noted hereinabove, the above-entitled matter shall be DISMISSED WITH PREJUDICE;

IT IS SO ORDERED.

DATED this 29TH day of NOVEMBER 2010.

IDAHO DEPARTMENT OF INSURANCE

By 
WILLIAM W. DEAL
Director

CERTIFICATE OF SERVICE

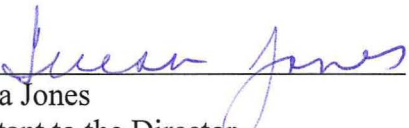
I HEREBY CERTIFY that, on this 29th day of November 2010, I caused a true and correct copy of the foregoing document to be served upon the following by the designated means:

John W. Domeck, Esq.
Progressive Northwestern Insurance Company
Progressive Direct Insurance Company
6300 Wilson Mills Road, W33
Cleveland, Ohio 44143-2182

certified mail
 first class mail
 hand delivery

John C. Keenan, Esq.
Deputy Attorney General
700 West State Street, 3rd Floor
Boise, Idaho 83720-0043

certified mail
 first class mail
 hand delivery


Teresa Jones
Assistant to the Director