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ISB No. 4377

FILED 

MAR 16 2010

Department of Insurance  
State of Idaho

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE**

**STATE OF IDAHO**

In the Matter of:

PROGRESSIVE CASUALTY  
INSURANCE COMPANY

Certificate of Authority No. 886  
NAIC No. 24260

Docket No. 18-2597-10

**ORDER GRANTING REQUEST FOR  
BLOCK NON-RENEWAL**

The Director of the Department of Insurance (“Department”) of the State of Idaho, having read and being fully apprised of the request of PROGRESSIVE CASUALTY INSURANCE COMPANY (“Petitioner”) for permission to block non-renew all of its bank business product lines in Idaho, consisting of a total of seventeen (17) policies and bonds comprised of directors and officers liability insurance; trust errors and omissions insurance; financial institution bonds; combination safe depository liability insurance; stamp signature guarantee bonds; employment practices liability insurance; and internet banking liability insurance; the Petitioner having indicated that it intends to begin non-renewing the above-

described business on approximately May 2, 2010, but which commencement date is not approved as described below; and Petitioner, having made a request to the Director of the Department by letter dated March 11, 2010, and in light of Idaho Code § 41-1841 and, good cause appearing therefor;

IT IS HEREBY ORDERED that this ratifies and confirms that the Petitioner is allowed, pursuant to Idaho Code § 41-1841, to effectuate a block non-renewal of its bank business product lines in Idaho, consisting of a total of seventeen (17) policies and bonds comprised of directors and officers liability insurance; trust errors and omissions insurance; financial institution bonds; combination safe depository liability insurance; stamp signature guarantee bonds; employment practices liability insurance; and internet banking liability insurance; however, in accordance with Idaho Code § 41-1841, Petitioner may begin non-renewing such business no sooner than One Hundred Twenty (120) days from its March 11, 2010 request, which is July 9, 2010. The Petitioner is to provide reasonable notice to policyholders affected by the non-renewals allowed by this order in accordance with the policies. This order is a final order and is effective immediately.

#### **NOTIFICATION OF RIGHTS**

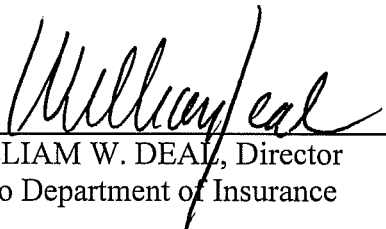
This is a final order of the agency. Any party may file a motion for reconsideration of this final order within fourteen (14) days of the service date of this order. The agency will dispose of the petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. *See* Section 67-5246(4), Idaho Code.

Pursuant to Sections 67-5270 and 67-5272, Idaho Code, any party aggrieved by this final order or orders previously issued in this case may appeal this final order and all previously issued orders in this case to district court by filing a petition in the district court of the county in which:

- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or operates its principal place of business in Idaho, or
- iv. The real property or personal property that was the subject of the agency action is located.

An appeal must be filed within twenty-eight (28) days of (a) the service date of this final order, (b) an order denying petition for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. *See* Section 67-5273, Idaho Code. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

DATED and EFFECTIVE this 16<sup>TH</sup> day of March 2010.

  
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WILLIAM W. DEAL, Director  
Idaho Department of Insurance

**CERTIFICATE OF SERVICE**

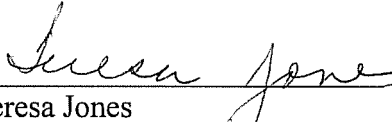
I HEREBY CERTIFY that I have on this 16th day of March 2010, caused a true and correct copy of the foregoing order to be served upon the following by the designated means:

Heidi P. Chylla, Senior Counsel  
Corporate Law Department  
Progressive Casualty Insurance Company  
6300 Wilson Mills Road, N72  
Mayfield Village, OH 44143

- first class mail
- certified mail
- hand delivery
- via facsimile

Thomas A. Donovan  
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- via facsimile

  
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Teresa Jones  
Assistant to the Director