

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

In the Matter of:)
Proceedings by the Commissioner of) CONSENT
Banking and Insurance, State of New) ORDER
Jersey, to fine AIG Property Casualty Company)

TO: AIG Property Casualty Company
175 Water Street, 18th floor
New York City, NY 10038

This matter having been opened to the Commissioner of Banking and Insurance ("Commissioner") of the Department of Banking and Insurance ("Department") of the State of New Jersey, by the submission of a complaint against AIG Property Casualty Company ("AIG"), a foreign insurance company authorized to transact business in New Jersey pursuant to N.J.S.A. 17:32-1 et seq., regarding non-renewal of a homeowners insurance policy; and

IT APPEARING that N.J.A.C. 11:1-20.2 (g) provides that no non-renewal notice shall be valid unless the notice contains the standard or reason upon which the termination is premised and specifies in detail the factual basis upon which the insurer relies; and

IT FURTHER APPEARING that AIG issued twenty notices of non-renewal to New Jersey policyholders that did not contain the information required by N.J.A.C. 11:1-20.2 (g); and

IT FURTHER APPEARING that AIG:

- 1) Has admitted responsibility for the aforementioned violation;
- 2) Has cooperated with the investigation conducted by the Department; and

3) Has agreed to offer reinstatement to the twenty policyholders who received the defective notices of non-renewal;

and

IT FURTHER APPEARING that good cause does exist under N.J.S.A. 17:33-2 to impose a fine; and

IF FURTHER APPEARING that AIG has waived its right to a hearing on the aforementioned violations and has consented to payment of a fine in the amount of twenty five thousand dollars (\$25,000.00); and

NOW THEREFORE, IT IS on this 12TH day of SEPTEMBER 2014

ORDERED AND AGREED that AIG pay a fine in the amount of twenty five thousand dollars (\$25,000.00) by check made payable to the State of New Jersey, General Treasury due and payable immediately upon the execution of this Consent Order by AIG; and

IT IS FURTHER ORDERED AND AGREED that the signed Consent Order together with the fine payment shall be transmitted to:

New Jersey Department of Banking and Insurance
Attention: Gale Simon, Assistant Commissioner
20 West State Street, 9th floor, Consumer Protection Services
P. O. Box 329
Trenton, NJ 08625-0329

; and

IT IS FURTHER ORDERED AND AGREED that the provisions of this Consent Order represent a final agency decision and constitute a final resolution of the violations contained herein; and

IT IS FURTHER ORDERED AND AGREED that AIG shall cease and desist from engaging in the conduct that gave rise to this Consent Order.

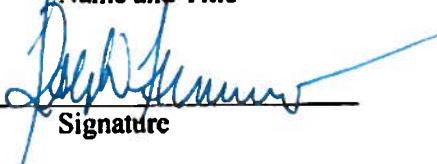


Peter L. Hart
Acting Director of Insurance

Consented to as to
Form and Content:

AIG Property Casualty Company

By: Ralph Muczerino
Name and Title



Signature

8/19/14

Date

APPROVED BY SCOTT MILLER
8/19/14