

STATE OF ARIZONA
Department of Insurance and Financial Institutions
FILED February 9, 2024 by AS

STATE OF ARIZONA

DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

In the Matter of:

HISCOX INSURANCE COMPANY INC.

SBS No. 49207420

NAIC Co Code 10200

30 N. Lasalle Street, Suite 1760
CHICAGO, IL 60602

Respondent.

No. 24A- 006 - INS

CONSENT ORDER

The Arizona Department of Insurance and Financial Institutions (“Department”) alleges that Hiscox Insurance Company Inc. (“Respondent”) violated provisions of Arizona Revised Statutes (“A.R.S.”) Title 20. Respondent wishes to resolve this matter without the commencement of formal proceedings, and admits the following Findings of Fact are true, and consents to the entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

1. Respondent is an Illinois domiciled insurer. Respondent holds an Arizona certificate of authority, with lines of business in casualty without workers’ compensation, disability, marine and transportation, property, surety, and vehicle insurance, originally issued by the Department on April 3, 1961.

2. On or about May 21, 2023, an Arizona consumer N.L. submitted a complaint with the Department alleging that Respondent failed to provide her a policy cancelation confirmation for two of her policies.

3. The Department commenced an investigation into this matter.

1 4. On or about May 26, 2023, the Department requested, via email correspondence sent to
2 US.Legal@hiscox.com, that Respondent provide complete records and a response to N.L.'s complaint
3 by June 16, 2023. Respondent failed to respond at that time.

4 5. On or about July 26, 2023, the Department sent a second email correspondence to the same
5 email address requesting a response by July 28, 2023.

6 6. On or about July 27, 2023, the Department contacted Respondent via telephone at
7 Respondent's number on file with the Department (404-410-2812) and left a voice message regarding
8 the pending record request and a failure to respond.

9 7. On or about October 16, 2023, the Department sent a request related to N.L.'s complaint to
10 Sabrina Kania, Respondent's Government Relations Contact, at her email address
11 (sabrina.kania@hiscox.com) and telephone number (678-781-4785) of record with the Department, with
12 a request for a response by the end of the day.

13 8. According to Respondent, the Department's email correspondences dated May 26, July 26,
14 and October 16 were blocked by the Respondent's IT spam filters and, as a result, did not reach their
15 intended recipients. On November 17, 2023, the Respondent implemented an IT fix called "whitelisting"
16 in which all correspondence from any email address ending with "az.gov" is automatically approved and
17 cleared from any spam filter, ensuring that all future correspondence from the Department will be
18 received.

19 9. As of November 7, 2023, Respondent had failed to respond to the Department's requests. On
20 November 27, 2023, Respondent responded to the Department's inquiry. According to Respondent, due
21 to IT reasons related to the Department's email being blocked, Respondent first became aware of N.L.'s
22 complaint seven days prior to providing their response to the Department.

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CONCLUSIONS OF LAW

10. The Director has jurisdiction over this matter.

11. The Director has authority to conduct examinations and investigations of insurance matters and to request the accounts, records, documents, files, assets and matters in the person’s possession or control pursuant to A.R.S. §§ 20-142(C) and 20-157(A).

12. Respondent’s conduct, as alleged above, constitutes a violation of the requirement that every insurer, upon receipt of any inquiry from the Department, shall, within fifteen working days of receipt, furnish the Department with an adequate response to the inquiry. Arizona Administrative Code R20-6-801(E)(2).

13. Grounds exist for the Director to impose a civil penalty of up to one thousand dollars (\$1,000.00) for each violation and not to exceed an aggregate of ten thousand dollars (\$10,000.00) within any six-month period with respect to unintentional violations. A.R.S. § 20-220(B)(1).

ORDER

IT IS ORDERED:

1. Respondent shall immediately pay a civil money penalty in the amount of **one thousand five hundred dollars (\$1,500.00)**.

2. Respondent shall provide timely and complete responses to any future inquiries by the Department unless a written request for an extension is approved by the Department prior to the deadline.

DATED AND EFFECTIVE this 9th day February, 2024.

Barbara D. Richardson

Barbara Richardson
Cabinet Executive Officer
Executive Deputy Director
Arizona Department of Insurance and Financial Institutions

CONSENT TO ORDER

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2 1. Respondent acknowledges that it has been served with a copy of the foregoing Consent
3 Order in the above-referenced matter, has read it, is aware of its right to an administrative hearing in this
4 matter and has knowingly and voluntarily waived that right.

5 2. Respondent accepts the personal and subject matter jurisdiction of the Department over
6 it in this matter.

7 3. Respondent acknowledges that no promise of any kind or nature has been made to induce
8 it to sign the Consent to Order and it has done so knowingly and voluntarily.

9 4. Respondent acknowledges and agrees that the acceptance of this Consent to Order by the
10 Director is solely to settle this matter and does not preclude the Department from instituting other
11 proceedings as may be appropriate now or in the future. Furthermore, and notwithstanding any language
12 in this Consent Order, this Consent Order does not preclude in any way any other state agency or officer
13 or political subdivision of this state from instituting proceedings, investigating claims, or taking legal
14 action as may be appropriate now or in the future relating to this matter or other matters concerning
15 Respondent, including but not limited to violations of Arizona's Consumer Fraud Act. Respondent
16 acknowledges that, other than with respect to the Department, this Consent Order makes no
17 representations, implied or otherwise, about the views or intended actions of any other state agency or
18 officer or political subdivision of the state relating to this matter or other matters concerning Respondent.

19 5. Respondent acknowledges and agrees that failure to correct the violations set forth above
20 in this Consent Order, or any repeat findings of the above violations in the future, can result in
21 disciplinary action which may include a greater civil money penalty and suspension or revocation of its
22 license.

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6. Kevin Ian Kerridge represents that he is the President of Hiscox Insurance Company Inc.
and, as such, is authorized to enter this Consent Order on its behalf.

Hiscox Insurance Company Inc.

3RD JAN 2024

Date

By: 
Kevin Ian Kerridge, President

1 **ORIGINAL** of the foregoing filed
this 9th day of February, 2024 in the office of:

2
3 Barbara Richardson, Cabinet Executive Officer and Executive Deputy Director
4 Arizona Department of Insurance and Financial Institutions
5 Attn: Ana Starcevic, Paralegal
6 100 North 15th Avenue, Suite 261
7 Phoenix, Arizona 85007
8 Ana.Starcevic@difi.az.gov

9 **COPY** of the foregoing delivered and/or emailed same date to:

10 Deian Ousounov, Assistant Director
11 Gio Espinosa, Regulatory Legal Affairs Officer
12 Maria Ailor, Assistant Director
13 Noelani Spencer, Consumer Services Supervisor
14 Catherine O'Neil, Consumer Leal Affairs Officer
15 Ana Starcevic, Paralegal
16 Arizona Department of Insurance and Financial Institutions
17 100 North 15th Avenue, Suite 261
18 Phoenix, AZ 85007

19 **COPY** of the foregoing transmitted electronically the same date to:

20 Hiscox Insurance Company Inc.
21 Attn: Kevin Ian Kerridge, President
22 30 N. Lasalle Street, Suite 1760
23 Chicago, IL 60602
24 US.Legal@HISCOX.com
25 Respondent

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27 Ana Starcevic
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