



**State of Utah**

GARY R. HERBERT  
*Governor*

SPENCER J. COX  
*Lieutenant Governor*

**Insurance Department**

TODD E. KISER  
*Insurance Commissioner*

April 25, 2017

**CONFIDENTIAL**

ACCC INSURANCE CO.  
C/O FREEDOM NATIONAL INS. SERVICES, INC.  
PO BOX 7820  
NEWPORT BEACH, CA 92658-7820

**Investigation File #68362**

Transmitted via email: AWhitford@FreedomNational.com

Re: **PUBLIC LETTER OF ADMONITION**

Dear Ms. Whitford:

Based upon information contained in the Utah Insurance Department files, you are hereby issued this Public Letter of Admonition, involving policy number HUT110261. Your company failed to meet the requirements set forth in 31A-26-303 and R590-190-10, for failing to adopt reasonable standards for a prompt investigation and notify the insured of the status of the claim.

**R590-190-10. Minimum Standards for Prompt, Fair and Equitable Settlements.**

(1) The insurer shall provide to the claimant a statement of the time and manner in which any claim must be made and the type of proof of loss required by the insurer.

(2) Within 30-days after receipt by the insurer of a properly executed proof of loss, the insurer shall complete its investigation of the claim and the first party claimant shall be advised of the acceptance or denial of the claim by the insurer unless the investigation cannot be reasonably completed within that time. If the insurer needs more time to determine whether a first party claim should be accepted or denied, it shall so notify the first party claimant within 30-days after receipt of the proofs of loss, giving the reasons more time is needed. If the investigation remains incomplete, the insurer shall, within 45-days after sending the initial notification and within every 45-days thereafter, send to the first party claimant a letter setting forth the reasons additional time is needed for the investigation, unless the first party claimant is represented by legal counsel or public adjuster. Any basis for the denial of a claim shall be noted in the insurers claim file and must be communicated promptly and in writing to the first party claimant. Insurers are prohibited from denying a claim on the grounds of a

specific provision, condition, or exclusion unless reference to such provision, condition or exclusion is included in the denial.

(3) Unless otherwise provided by law, an insurer shall promptly pay every valid insurance claim. A claim shall be overdue if not paid within 30-days after the insurer is furnished written proof of the fact of a covered loss and of the amount of the loss. Payment shall mean actual delivery or mailing of the amount owed. If such written proof is not furnished to the insurer as to the entire claim, any partial amount supported by written proof or investigation is overdue if not paid within 30-days. Payments are not deemed overdue when the insurer has reasonable evidence to establish that the insurer is not responsible for the payment, notwithstanding that written proof has been furnished to the insurer.

This letter is public and will be posted to our website, [www.insurance.utah.gov](http://www.insurance.utah.gov). It is not considered an administrative action and is not required to be reported to other regulatory agencies.

Evidence of any similar activities in the future may be just cause for commencement of an administrative proceeding that may result in the imposition of sanctions or penalties against you. Any questions regarding this action should be directed to Bill Stimpson, referencing Investigation No. 68362.

Sincerely,

A handwritten signature in black ink that reads "Suzette D. Green-Wright". The signature is written in a cursive style with a large initial 'S'.

TODD E. KISER  
INSURANCE COMMISSIONER

By: Suzette D. Green-Wright