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3 **STATE OF OREGON**
4 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**
5 **DIVISION OF FINANCIAL REGULATION**

6 In the Matter of:

Case No. INS-24-0050

7 Allstate Indemnity Company, Allstate Fire &
8 Casualty Company, Allstate Insurance
9 Company, and Allstate County Mutual
10 Insurance Company

Respondents.

**FINAL ORDER TO CEASE AND
DESIST AND FINAL ORDER
ASSESSING CIVIL PENALTIES,
ENTERED BY CONSENT**

11 The Director of the Oregon Department of Consumer and Business Services for
12 the State of Oregon (the “Director”), through the Division of Financial Regulation (the
13 “Division”), investigated the business activities of Allstate Indemnity Company, Allstate
14 Fire & Casualty Company, Allstate Insurance Company, and Allstate County Mutual
15 Insurance Company (collectively, the “Allstate Group”) and determined that they
16 violated certain provisions of Oregon Revised Statutes (“ORS”) chapters 731, 732, 733,
17 734, 735, 737, 742, 743, 743A, 743B, 744, 746, 748, and 750 and the rules promulgated
18 thereunder (collectively, the “Insurance Code”).

19 The Allstate Group cooperated with the Director’s investigation and wishes to
20 settle this matter.

21 Now, therefore, as evidenced by the signature(s) subscribed in this Order, the
22 Allstate Group hereby CONSENTS to entry of this Order upon the Director’s Findings of
23 Fact and Conclusions of Law below.

24 **FINDINGS OF FACT**

25 The Director FINDS that:

26 1. The following Allstate Group companies are property and casualty carriers
that provide insurance products in Oregon and maintain a principal place of business at
3075 Sanders Rd, Northbrook, IL 60062:

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387





- A. Allstate Indemnity Company, National Association of Insurance Commissioners (“NAIC”) Company Code Number 19240;
- B. Allstate Fire & Casualty Company, NAIC Company Code Number 29688;
- C. Allstate Insurance Company, NAIC Company Code Number 19232; and
- D. Allstate County Mutual Insurance Company, NAIC Company Code Number 29335.

2. On June 1, 2022, after receiving a complaint concerning total loss claim handling, the Division requested that Allstate Fire & Casualty provide claims data for all of its first and third-party Oregon total loss claims from January 1, 2020, through June 1, 2022.

3. In response to the Division’s request, Allstate Fire & Casualty provided data which showed that it did not pay total loss fees nor provide the required total loss notice on a high number of the claims. Due to the number of violations, the Division met with Allstate Fire & Casualty to discuss their compliance with Oregon total loss requirements and Allstate agreed to do an internal investigation for all Allstate Group companies and provide a response to the Division.

4. On or about September 29, 2022, the Allstate Group of companies provided data to the Division showing that, for January 1, 2020, through September 2022, the Allstate Group did not provide the required Oregon total loss notice at the time they offered to make a cash settlement to claimants in 1,185 of 8,015 total loss claims, as follows:

- A. Allstate Indemnity – 132
- B. Allstate Fire & Casualty – 865
- C. Allstate Insurance – 54



D. Allstate County Mutual – 134

5. For the same time period, Allstate provided data to the Division showing that the Allstate Group failed to include all of the applicable taxes, license fees, and other fees incident to transfer of ownership required to be paid by OAR 836-080-0240(3) in 1,262 out of 8,015 total loss claims, as follows:

A. Allstate Indemnity – 52

B. Allstate Fire & Casualty – 958

C. Allstate Insurance – 127

D. Allstate County Mutual – 125

6. For these 1,262 total loss claims where the Allstate Group failed to include all of the applicable taxes, license fees, and other fees incident to transfer of ownership, the Allstate Group had underpaid Oregon claimants a total of \$34,977.71. During the course of the Division's investigation, the Allstate Group made full restitution to those consumers, with interest, for a total amount of \$40,383.11.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

7. The Director has jurisdiction over the Allstate Group's business activities under ORS 731.236.

8. By failing to send claimants the Oregon total loss notice at the time each Allstate Group company offered to make a cash settlement as described in paragraph 4, each Allstate Group company violated ORS 742.554(2) and OAR 836-080-0240(4) in 1,185 instances.

9. By failing to pay all of the applicable taxes or fees as described in paragraph 5, each Allstate Group violated OAR 836-080-0240(3) in 1,262 instances.

10. Because each Allstate Group company violated ORS 742.554(2), OAR 836-080-0240(3), and OAR 836-080-0240(4), the Director is authorized by ORS 731.252(1)



1 to order the Allstate Group to cease and desist from violating those rules.

2 11. ORS 731.988(1) authorizes the Director to assess up to a \$10,000 civil penalty
3 against the Allstate Group for *each violation* of the Insurance Code.

4 **ORDERS**

5 Now therefore, the Director issues the following Orders:

6 **Order to Cease and Desist**

7 12. As authorized by ORS 731.252(1), the Director ORDERS each Allstate Group
8 company to CEASE AND DESIST from violating ORS 742.554(2), OAR 836-080-
9 0240(3), and OAR 836-080-0240(4).

10 **Orders Assessing Penalties**

11 13. As authorized by ORS 731.988(1), the Director ORDERS the Allstate Group
12 to pay \$118,500.00 in CIVIL PENALTIES for its 1,185 violations of ORS 742.554(2)
13 and OAR 836-080-0240(4). Those CIVIL PENALTIES are allocated as follows:

- 14 A. Allstate Indemnity – \$13,200.00 for its 132 violations;
15 B. Allstate Fire & Casualty – \$86,500.00 for its 865 violations;
16 C. Allstate Insurance – \$5,400.00 for its 54 violations; and
17 D. Allstate County Mutual – \$13,400.00 for its 134 violations;

18 14. As authorized by ORS 731.988(1), the Director ORDERS the Allstate Group
19 to pay \$126,200.00 in CIVIL PENALTIES for its 1,262 violations of OAR 836-080-
20 0240(3)(b). Those CIVIL PENALTIES are allocated as follows:

- 21 A. Allstate Indemnity – \$5,200.00 for its 52 violations;
22 B. Allstate Fire & Casualty – \$95,800.00 for its 958 violations;
23 C. Allstate Insurance – \$12,700.00 for its 127 violations; and
24 D. Allstate County Mutual – \$12,500.00 for its 125 violations;

25 15. The Director SUSPENDS \$100,000.00 of the CIVIL PENALTIES, provided
26 the Allstate Group complies with these conditions:



1 A. The Allstate Group does not have any new violations of ORS
2 742.554(2), OAR 836-080-0240(3), and OAR 836-080-0240(4).

3 B. The Allstate Group does not violate the terms of this Consent Order.

4 16. If the Allstate Group satisfies the above conditions, the Director shall waive the
5 suspended portion of the civil penalties three years after the date of this Order. If the
6 Allstate Group fails to satisfy the above conditions during the three-year period following
7 the date of this Order, however, the suspended portion of the civil penalties, amounting to
8 \$100,000.00, will become immediately due and owing.

9 17. Along with this Order, the Allstate Group shall submit \$144,700.00 to the
10 Director as payment for the non-suspended civil penalties. Such payment shall be made at
11 the time the Allstate Group signs and returns this Consent Order to the Director.

12 18. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that
13 provision, entry of this Order does not limit or prevent further remedies available to the
14 Director under Oregon law to enforce this Order or take action for violations of this
15 Order or of the Insurance Code not covered by this Order.

16
17 SO ORDERED this 8th day of April, 2025

18
19
20 **ANDREW R. STOLFI**, Director
21 Department of Consumer and Business Services

22 /s/ Dorothy Bean
23 Dorothy Bean, Chief of Enforcement
24 Division of Financial Regulation

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ENTITY CONSENT TO ENTRY OF ORDER

I, Sandee Lindorfer, am the Vice President of Auto Claims and I am authorized to act and sign behalf of Allstate Indemnity Company, Allstate Fire & Casualty Company, Allstate Insurance Company, and Allstate County Mutual Insurance Company ("Allstate"). I have read the foregoing Order and understand the contents thereof and acknowledge that the factual allegations stated herein are true and correct. Allstate has been advised of the right to a hearing and of the right to be represented by counsel in this matter and Allstate voluntarily consents to the entry of this Order without any force or duress, expressly waiving any right to a hearing in this matter, as well as any rights to administrative or judicial review of this Order. Allstate understands that the Director reserves the right to take further action against it to enforce this Order or to take appropriate action upon discovery that Allstate has committed other violations of the Insurance Code. Allstate, along with its officers, directors, employees, or agents, will fully comply with the terms and conditions stated herein.

Allstate understands that this Order is a public document.

Signature: /s/ Sandee Lindorfer

Position Held: Vice President of Auto Claims

State of Virginia

County of Hampton City

Signed or attested before me on this 27th day of March, 2025.

/s/ Natasha A Stromley
Notary Public

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

