NORTH CAROLINA DEPARTMENT OF INSURANCE RALEIGH, NORTH CAROLINA

STATE OF NORTH CAROLINA COUNTY OF WAKE BEFORE THE COMMISSIONER OF INSURANCE

IN THE MATTER OF TRAVELERS INSURANCE CO.

VOLUNTARY SETTLEMENT AGREEMENT

NOW COME, Travelers Insurance Company (hereinafter "TRAVELERS") and the North Carolina Department of Insurance (hereinafter "Department"), and hereby voluntarily and knowingly enter into the following Voluntary Settlement Agreement (hereinafter "this Agreement").

WHEREAS, the Department has the authority and responsibility for enforcement of the insurance laws of this State, and for regulating and licensing insurance companies, insurance agents and adjusters; and

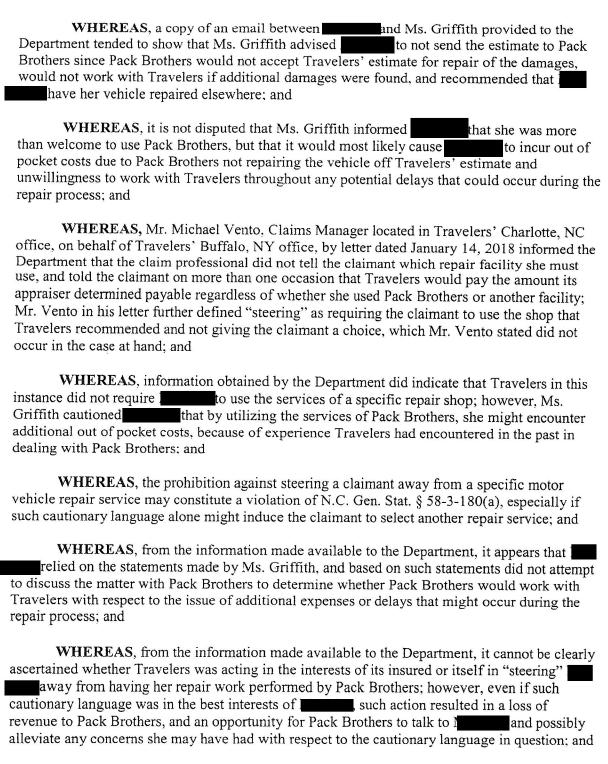
WHEREAS, TRAVELERS is currently licensed to issue automobile insurance in North Carolina; and

WHEREAS, N.C. Gen. Stat. § 58-3-180(a) requires insurers to allow a claimant to select the repair service or source for the repair of damage to a motor vehicle, and Subsection (b1) thereof, among other things, prohibits the insurer or insurer representative from recommending the use of a particular motor vehicle repair service without clearly informing the claimant that he or she is under no obligation to use the recommended repair service; and

WHEREAS, it has been alleged that the insurer, through its representative adjuster, in this instance, may have steered a claimant away from a vehicle repair service chosen by their insured, resulting in the loss of revenue in the amount of \$1,566.38, to the repair shop; and

WHEREAS, the Department received a complaint from Pack Brothers Collision Center (Pack Brothers), located in Belmont, NC, regarding actions taken by a representative of Travelers with respect to a repair of a motor vehicle owned by Ms. Travelers; and

WHEREAS, Ms. Mas indicated to Travelers that she wanted Pack Brothers to do the
repair work and requested Travelers to send the estimate to that shop; however, allegedly some
comments made to by Ms. Hayley H. Griffith, a Travelers claim professional, caused
to have her vehicle repaired elsewhere, causing a loss of revenue to Pack Brothers; and



WHEREAS, in the interests of avoiding similar occurrences in the future, the Department recommends that claim professionals be made aware of using such cautionary

language without advising the claimant that he or she discuss the possibility of being personally liable for additional costs outside of the estimate given for repairs by the insurer, especially in cases where the claimant had expressed a desire to have the repair work done at a specific repair facility; and

WHEREAS, the parties to this Agreement mutually wish to resolve this matter by consent and have reached a mutually agreeable resolution of this matter as set out in this Agreement.

NOW, THEREFORE, in exchange for the consideration and promises and agreements set out herein, Travelers and the Department hereby agree to the following:

- 1. Upon the signing of this agreement, Travelers, without admitting any liability or violation of any insurance statute or rule, will reimburse Pack Brothers for the total amount of the estimate prepared for the repair of motor vehicle, \$1,566.38.
- 2. Travelers agrees to forward its company check payable to the Pack Brothers to the Department as soon as possible but no later than May 6, 2019.
- 3. The parties have read and understand this Agreement and agree to abide by the terms and conditions stated herein.

Travelers Insurance Company

N.C. Department of Insurance

By: Mark Valleskey

Director of Auto Claims

By: Kathy Shortt

Senior Deputy Commissioner Consumer Assistance Group

Date: 4/8/19