



# Illinois Department of Insurance

---

JB Pritzker  
Governor

Dana Popish Severinghaus  
Director

June 22, 2022

Mr. Michael D. Price, President  
AIG Property Casualty Company  
500 West Madison Street, Suite 3000  
Chicago, IL 60661

**Re: AIG Property Casualty Company, NAIC 19402**  
***Market Conduct Examination Verified Report***

Dear Mr. Price,

A Market Conduct Examination of your company was conducted by an authorized examiner designated by the Director of the Illinois Department of Insurance (“Department”) pursuant to Illinois Insurance Code (“Code”) Sections 132, 132.5(f), 404(1)(a) and 404(1)(c). This examination covered the period of January 1, 2019, through March 31, 2022. Enclosed with this letter is a copy of the verified examination report.

The examination report is a public document under the Freedom of Information Act (“FOIA”) [5 ILCS 140/1 *et seq.*] and will be posted on the Department’s website. To the extent that the examination report contains information that your Company deems private, personal, or trade secret pursuant to Sections 7(1)(b), (c), or (g) of FOIA [5 ILCS 140/7(b), (c), and (g)], your Company may request that the Department redact such information from the report prior to making it public. In making a request for confidentiality, your Company must provide a factual basis for its assertion of confidentiality. The Department will consider the request and determine whether such information is exempt from disclosure under Section 7 of FOIA.

No company, corporation, or individual shall use this report or any statement, excerpt, portion, or section thereof for any advertising, marketing or solicitation purpose. Any company, corporation or individual action contrary to the above shall be deemed a violation of Section 149 of the Illinois Insurance Code (215 ILCS 5/149).

Please contact me if you have any questions.

Sincerely,

Erica Weyhenmeyer  
Chief Market Conduct Examiner  
Illinois Department of Insurance  
320 West Washington St., 5th Floor  
Springfield, IL 62767  
Phone: 217-782-1790  
Erica.Weyhenmeyer@Illinois.gov

Company Name: AIG Property Casualty Company	CoCode:	19402	Group Cod	12								
<b>Private Passenger Auto Liability</b>	Accident Quarter											
Statewide data (Illinois only) as of 3/31/2022	Q1 - 2019	Q2 - 2019	Q3 - 2019	Q4 - 2019	Q1 - 2020	Q2 - 2020	Q3 - 2020	Q4 - 2020	Q1 - 2021	Q2 - 2021	Q3 - 2021	Q4 - 2021
(2) All expenses other than loss adjustment expenses, excluding amounts from item 5 below	128,477	128,477	128,477	128,477	115,845	115,845	115,845	115,845	122,161	122,161	122,161	122,161
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	380,295	396,466	401,650	396,325	382,939	372,497	381,400	364,917	341,267	341,246	331,330	317,908
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	0	0	0	0	0	0	63,621	36,214	20,674	13,909	0	0
(5) The Amount of any COVID-19 Related Credit/Refund/Dividend accounted for as expense	0	0	0	0	0	0	0	0	0	0	0	0
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	385,558	271,588	158,814	713,205	60,084	36,252	99,151	46,167	323,514	110,838	54,890	33,507
(7) Net Ultimate Adjusting & Other												
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	22	23	25	20	14	4	14	10	5	3	12	3
(9) Open Claim Counts	0	0	0	2	0	2	0	0	2	4	0	7
Post-refund combined ratio (6+7+2+5)/(3-4)	135.2%	100.9%	71.5%	212.4%	45.9%	40.8%	67.7%	49.3%	139.0%	71.2%	53.4%	49.0%
Pre-refund combined ratio (6+7+2)/(3)	135.2%	100.9%	71.5%	212.4%	45.9%	40.8%	56.4%	44.4%	130.6%	68.3%	53.4%	49.0%
Claims severity (6)/(8)	17,525	11,808	6,353	35,660	4,292	9,063	7,082	4,617	64,703	36,946	4,574	11,169

Notes:

Data from row (1) will be made available on an all company weighted average frequency basis. Data will not be publicly released on an individual company basis.

All data provided in rows (2)-(9) will be considered public.

"Net" refers to net of reinsurance and salvage & subrogation.

Claim counts should be reported net of quota share reinsurance.

Company Name: AIG Property Casualty Company	CoCode:	19402	Group Cod	12								
<b>Private Passenger Auto Physical Damage</b>	<b>Accident Quarter</b>											
Statewide data (Illinois only) as of 3/31/2022	Q1 - 2019	Q2 - 2019	Q3 - 2019	Q4 - 2019	Q1 - 2020	Q2 - 2020	Q3 - 2020	Q4 - 2020	Q1 - 2021	Q2 - 2021	Q3 - 2021	Q4 - 2021
(2) All expenses other than loss adjustment expenses, excluding amounts from item 5 below	172,709	172,709	172,709	172,709	142,085	142,085	142,085	142,085	157,397	157,397	157,397	157,397
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	503,112	543,193	576,605	588,179	573,493	561,572	571,937	555,314	543,608	557,953	561,266	548,696
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	0	0	0	0	0	0	96,479	54,917	31,352	21,093	0	0
(5) The Amount of any COVID-19 Related Credit/Refund/Dividend accounted for as expense	0	0	0	0	0	0	0	0	0	0	0	0
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	234,731	247,188	297,522	398,582	202,380	112,948	303,516	167,727	157,262	415,207	264,150	173,116
(7) Net Ultimate Adjusting & Other												
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	39	68	51	56	41	23	47	34	25	35	39	26
(9) Open Claim Counts	0	0	0	1	0	1	0	0	1	1	0	14
Post-refund combined ratio (6+7+2+5)/(3-4)	81.0%	77.3%	81.6%	97.1%	60.1%	45.4%	93.7%	61.9%	61.4%	106.7%	75.1%	60.2%
Pre-refund combined ratio (6+7+2)/(3)	81.0%	77.3%	81.6%	97.1%	60.1%	45.4%	77.9%	55.8%	57.9%	102.6%	75.1%	60.2%
Claims severity (6)/(8)	6,019	3,635	5,834	7,118	4,936	4,911	6,458	4,933	6,290	11,863	6,773	6,658

Notes:

Data from row (1) will be made available on an all company weighted average frequency basis. Data will not be publicly released on an individual company basis.

All data provided in rows (2)-(9) will be considered public.

"Net" refers to net of reinsurance and salvage & subrogation.

Claim counts should be reported net of quota share reinsurance.