



Illinois Department of Insurance

JB Pritzker
Governor

Dana Popish Severinghaus
Director

June 23, 2022

Mr. Matthew Dutkanych, President
Producers National Group
7400 North Caldwell
Niles, IL. 60714

**Re: Stonegate Insurance Company, NAIC 14012
Unique Insurance Company, NAIC 10655
Viva Seguros Insurance Company, NAIC 14941
Market Conduct Examination Verified Report**

Dear Mr. Dutkanych,

A Market Conduct Examination of your companies 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
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Company Name: STONEGATE INSURANCE COMPANY	CoCode:	14012	Group Code:	4717								
Private Passenger Auto Liability	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												
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	\$925,974	\$1,218,474	\$1,414,772	\$1,558,925	\$1,577,140	\$1,257,961	\$1,025,754	\$818,244	\$673,346	\$662,116	\$676,973	\$680,672
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) The Amount of any COVID-19 Related Credit/Refund/Dividend accounted for as expense												
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	\$193,496	\$375,946	\$598,122	\$601,742	\$869,524	\$297,776	\$499,134	\$756,860	\$788,362	\$750,732	\$683,544	\$961,996
(7) Net Ultimate Adjusting & Other												
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	21	48	119	227	173	305	123	99	81	76	42	26
(9) Open Claim Counts	157	365	531	611	746	546	516	508	468	458	488	523
Post-refund combined ratio (6+7+2+5)/(3-4)	20.9%	30.9%	42.3%	38.6%	55.1%	23.7%	48.7%	92.5%	117.1%	113.4%	101.0%	141.3%
Pre-refund combined ratio (6+7+2)/(3)	20.9%	30.9%	42.3%	38.6%	55.1%	23.7%	48.7%	92.5%	117.1%	113.4%	101.0%	141.3%
Claims severity (6)/(8)	9,214	7,832	5,026	2,651	5,026	976	4,058	7,645	9,733	9,878	16,275	37,000

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: STONEGATE INSURANCE COMPANY	CoCode:	14012	Group Code:	4717								
Private Passenger Auto Physical Damage	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												
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	\$859,668	\$1,006,899	\$1,094,397	\$1,126,702	\$1,118,414	\$862,328	\$739,192	\$598,714	\$493,615	\$482,586	\$494,889	\$500,771
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) The Amount of any COVID-19 Related Credit/Refund/Dividend accounted for as expense												
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	\$355,342	\$667,805	\$667,596	\$603,195	\$725,249	\$527,990	\$476,635	\$440,917	\$302,311	\$302,348	\$348,995	\$417,326
(7) Net Ultimate Adjusting & Other												
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	25	54	70	122	77	75	59	56	45	34	20	22
(9) Open Claim Counts	82	149	170	192	169	122	98	83	66	64	95	122
Post-refund combined ratio (6+7+2+5)/(3-4)	41.3%	66.3%	61.0%	53.5%	64.8%	61.2%	64.5%	73.6%	61.2%	62.7%	70.5%	83.3%
Pre-refund combined ratio (6+7+2)/(3)	41.3%	66.3%	61.0%	53.5%	64.8%	61.2%	64.5%	73.6%	61.2%	62.7%	70.5%	83.3%
Claims severity (6)/(8)	14,214	12,367	9,537	4,944	9,419	7,040	8,079	7,874	6,718	8,893	17,450	18,969

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: UNIQUE INSURANCE COMPANY	CoCode:	10655	Group Code:	4717								
Private Passenger Auto Liability	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												
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	\$11,369,091	\$11,113,876	\$10,331,460	\$9,771,999	\$9,207,728	\$8,983,334	\$9,771,447	\$9,311,033	\$8,583,487	\$8,654,890	\$8,046,274	\$7,649,761
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	\$0	\$0	\$0	\$0	\$0	\$532,645	\$900,242	\$104,959	\$43,679	\$14,136	\$1,767	-\$24
(5) The Amount of any COVID-19 Related Credit/Refund/Dividend accounted for as expense												
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	\$2,776,598	\$4,362,336	\$4,666,337	\$4,756,049	\$5,317,467	\$3,860,189	\$4,407,472	\$5,897,621	\$6,334,107	\$6,700,527	\$6,991,995	\$9,566,355
(7) Net Ultimate Adjusting & Other												
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	361	889	1386	1447	1742	1783	1389	1319	1285	1188	798	709
(9) Open Claim Counts	1461	2976	4062	4775	4816	4003	4096	4160	4114	4295	4640	4813
Post-refund combined ratio (6+7+2+5)/(3-4)	24.4%	39.3%	45.2%	48.7%	57.8%	45.7%	49.7%	64.1%	74.2%	77.5%	86.9%	125.1%
Pre-refund combined ratio (6+7+2)/(3)	24.4%	39.3%	45.2%	48.7%	57.8%	43.0%	45.1%	63.3%	73.8%	77.4%	86.9%	125.1%
Claims severity (6)/(8)	7,691	4,907	3,367	3,287	3,053	2,165	3,173	4,471	4,929	5,640	8,762	13,493

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: UNIQUE INSURANCE COMPANY	CoCode:	10655	Group Code:	4717								
Private Passenger Auto Physical Damage	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												
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	\$7,544,887	\$7,155,888	\$6,271,832	\$5,596,574	\$5,004,225	\$4,657,069	\$4,883,489	\$4,477,627	\$3,977,498	\$3,932,664	\$3,514,662	\$3,145,448
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	\$0	\$0	\$0	\$0	\$0	\$261,402	\$512,497	\$81,499	\$37,717	\$12,934	\$1,981	\$0
(5) The Amount of any COVID-19 Related Credit/Refund/Dividend accounted for as expense												
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	\$2,165,089	\$3,185,897	\$2,648,305	\$2,200,847	\$2,138,864	\$1,200,584	\$2,172,398	\$2,208,753	\$2,244,403	\$2,204,489	\$2,043,541	\$1,898,666
(7) Net Ultimate Adjusting & Other												
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	669	747	764	818	752	673	703	620	624	501	478	415
(9) Open Claim Counts	455	602	892	910	752	616	669	558	475	472	457	541
Post-refund combined ratio (6+7+2+5)/(3-4)	28.7%	44.5%	42.2%	39.3%	42.7%	27.3%	49.7%	50.2%	57.0%	56.2%	58.2%	60.4%
Pre-refund combined ratio (6+7+2)/(3)	28.7%	44.5%	42.2%	39.3%	42.7%	25.8%	44.5%	49.3%	56.4%	56.1%	58.1%	60.4%
Claims severity (6)/(8)	3,236	4,265	3,466	2,691	2,844	1,784	3,090	3,563	3,597	4,400	4,275	4,575

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: VIVA SEGUROS INSURANCE COMPANY	CoCode:	14941	Group Code:	4717								
Private Passenger Auto Liability	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												
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	\$5,913,251	\$5,137,753	\$4,138,491	\$3,590,556	\$3,906,790	\$4,595,963	\$5,466,919	\$5,439,470	\$5,020,446	\$5,053,663	\$4,836,970	\$4,604,926
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	\$0	\$0	\$0	\$0	\$0	\$340,393	\$487,082	\$65,372	\$23,827	\$5,987	\$698	\$0
(5) The Amount of any COVID-19 Related Credit/Refund/Dividend accounted for as expense												
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	\$1,841,563	\$2,173,741	\$2,325,118	\$2,317,861	\$2,806,801	\$1,744,145	\$2,436,512	\$2,739,812	\$3,063,138	\$3,764,273	\$4,108,007	\$5,166,872
(7) Net Ultimate Adjusting & Other												
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	100	429	625	547	692	833	712	672	630	571	377	404
(9) Open Claim Counts	995	1609	1915	2264	2400	2008	2086	2047	2116	2275	2564	2610
Post-refund combined ratio (6+7+2+5)/(3-4)	31.1%	42.3%	56.2%	64.6%	71.8%	41.0%	48.9%	51.0%	61.3%	74.6%	84.9%	112.2%
Pre-refund combined ratio (6+7+2)/(3)	31.1%	42.3%	56.2%	64.6%	71.8%	37.9%	44.6%	50.4%	61.0%	74.5%	84.9%	112.2%
Claims severity (6)/(8)	18,416	5,067	3,720	4,237	4,056	2,094	3,422	4,077	4,862	6,592	10,897	12,789

Notes:

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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: VIVA SEGUROS INSURANCE COMPANY	CoCode:	14941	Group Code:	4717								
Private Passenger Auto Physical Damage	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												
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	\$1,793,071	\$1,605,940	\$1,281,824	\$1,099,960	\$1,254,043	\$1,623,306	\$2,086,670	\$2,080,363	\$1,955,115	\$2,073,928	\$2,040,643	\$1,940,053
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium	\$0	\$0	\$0	\$0	\$0	\$139,664	\$191,681	\$32,075	\$11,978	\$3,569	\$519	\$0
(5) The Amount of any COVID-19 Related Credit/Refund/Dividend accounted for as expense												
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	\$488,238	\$597,289	\$551,624	\$435,098	\$472,429	\$406,102	\$824,493	\$1,000,314	\$1,036,913	\$1,283,504	\$1,391,127	\$1,427,255
(7) Net Ultimate Adjusting & Other												
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	89	169	152	146	174	222	287	283	288	279	235	216
(9) Open Claim Counts	130	134	204	205	206	228	251	224	227	248	257	321
Post-refund combined ratio (6+7+2+5)/(3-4)	27.2%	37.2%	43.0%	39.6%	37.7%	27.4%	43.5%	48.8%	53.4%	62.0%	68.2%	73.6%
Pre-refund combined ratio (6+7+2)/(3)	27.2%	37.2%	43.0%	39.6%	37.7%	25.0%	39.5%	48.1%	53.0%	61.9%	68.2%	73.6%
Claims severity (6)/(8)	5,486	3,534	3,629	2,980	2,715	1,829	2,873	3,535	3,600	4,600	5,920	6,608

Notes:

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

Claim counts should be reported net of quota share reinsurance.