



Illinois Department of Insurance

JB Pritzker
Governor

Dana Popish Severinghaus
Director

June 22, 2022

Mr. Mark O. Davey, President
Stillwater Insurance Company
5385 Hollister Avenue
Santa Barbara, CA. 93111

Re: Stillwater Insurance Company, NAIC 25180
Market Conduct Examination Verified Report

Dear Mr. Davey,

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: Stillwater Insurance Company	CoCode:	25180	Group Code:	4869								
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	19,818	23,208	6,740	4,847	26,534	32,007	32,568	22,009	37,936	34,729	40,385	39,210
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	12,932	18,313	32,384	54,767	79,087	97,671	122,539	142,858	156,613	17,173	184,752	187,702
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium												
(5) The Amount of any COVID-19 Related Credit/Refund/Dividend accounted for as expense						9,669						
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	0	3,424	13,632	46,635	59,943	89,703	43,694	146,546	107,860	60,629	121,732	69,313
(7) Net Ultimate Adjusting & Other	0	0	0	398	421	300	1,673	1,541	859	530	1,135	307
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	0	1	2	6	12	12	9	21	14	17	17	3
(9) Open Claim Counts	0	0	0	0	0	2	1	2	1	0	13	14
Post-refund combined ratio (6+7+2+5)/(3-4)	153.2%	145.4%	62.9%	94.7%	109.9%	134.8%	63.6%	119.1%	93.6%	558.4%	88.4%	58.0%
Pre-refund combined ratio (6+7+2)/(3)	153.2%	145.4%	62.9%	94.7%	109.9%	124.9%	63.6%	119.1%	93.6%	558.4%	88.4%	58.0%
Claims severity (6)/(8)	#DIV/0!	3,424	6,816	7,773	4,995	7,475	4,855	6,978	7,704	3,566	7,161	23,104

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: Stillwater Insurance Company	CoCode:	25180	Group Code:	4869									
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	7,270	10,110	34,811	29,722	39,801	48,011	48,852	33,013	56,904	52,094	60,578	58,815	
(3) Net Earned Premium Before Application of any COVID-19 Related Premium Credit/Refund/Dividend	9,878	14,608	26,639	46,937	69,892	87,044	111,574	133,289	147,843	164,718	177,341	184,697	
(4) The Amount of any COVID-19 Related Premium Credit/Refund/Dividend accounted for as premium													
(5) The Amount of any COVID-19 Related Credit/Refund/Dividend accounted for as expense						8,617							
(6) Net Ultimate Incurred Losses and Defense and Cost Containment Expenses	75	20,252	37,025	38,637	75,008	94,576	75,781	76,028	116,825	232,007	171,850	183,148	
(7) Net Ultimate Adjusting & Other	0	486	1,196	2,401	2,108	2,326	1,248	2,370	2,746	4,309	2,513	1,772	
(8) Ultimate Reported Claim Counts (excluding Claims Closed without Payment)	1	2	10	12	20	28	28	30	33	36	34	28	
(9) Open Claim Counts	0	0	0	0	0	0	0	0	0	1	2	10	
Post-refund combined ratio (6+7+2+5)/(3-4)	100.8%	242.0%	243.5%	187.4%	210.3%	221.2%	169.0%	158.8%	180.9%	243.5%	198.3%	200.1%	
Pre-refund combined ratio (6+7+2)/(3)	100.8%	242.0%	243.5%	187.4%	210.3%	211.3%	169.0%	158.8%	180.9%	243.5%	198.3%	200.1%	
Claims severity (6)/(8)	75	10,126	3,703	3,220	3,750	3,378	2,706	2,534	3,540	6,445	5,054	6,541	

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.