

## Notice of underwriting and rating decision

Thank you for choosing a Progressive Insurance Group company for your insurance needs. Our goal is to provide you with an outstanding insurance experience at a competitive price.

When you quote, buy, renew or make changes to your policy, we obtain information from you and other sources. This may include information from your driving history, comprised of motor vehicle reports and claims reports, as well as credit reports. This allows us to give you a rate that better reflects your individual risk factors.

Under the federal Fair Credit Reporting Act, an insurer is required to send its customers a notice of "adverse action" if the insurer uses certain information from outside sources and, based on that information, the insurance is denied or cancelled, or there is an increase in the charge for the insurance. Some state laws require the notice when the customer is not placed in the insurer's very best rating category, even though this information may place a customer in an excellent rating category and, in many cases, actually improve the customer's rate.

We are providing this notice to comply with these legal requirements to notify you, and to help you understand better the information we use.

If you believe the information we used is incorrect or incomplete, or if you have questions about our use of this information, please refer to the procedures under the heading, "What should I do if I have a question?"

### Description of the action taken:

You were not given our best underwriting or rating classification.

### What was the effect of the action?

We did not give you our lowest premium due, in part, to information contained in your credit history. Even so, your premium may be lower than it otherwise would have been without our use of your credit history information. We look at credit history information that helps us to measure your insurance risk; this information does not necessarily reflect your credit worthiness. We evaluate your credit history information differently than a lender would. Therefore, it is possible to have a very good credit score, yet still not be eligible for our absolute lowest premiums.

Information that we evaluated from your credit history was very good, but we did not give you our lowest possible premium due to the following:

- The oldest open date of all your accounts, excluding auto and mortgage, was less than 5 years ago.
- Your most recent application for an auto loan was in the last 700 days.
- The average open date of all your reported loans and accounts was less than 4 years ago.
- You are using 30% or less of your available credit.

For more information about our review and use of credit, refer to "Why is credit history reviewed and used?"

Also, your payment terms are not our most favorable.

### Who took the action?

The action was taken by Progressive Direct Insurance Co, which underwrote, priced and issued the policy, using consumer reports obtained by Progressive Casualty Insurance Company.

### Who provided the information?

Credit information for Chaker  
Baloch was provided by:

EXPERIAN  
P.O. Box 2002  
Allen, TX 75013  
1-888-397-3742  
[www.experian.com/reportaccess](http://www.experian.com/reportaccess)

### What should I do if I have a question?

If you have a question about information in your credit report, please contact EXPERIAN. You may obtain a free copy of your credit report for 60 days after you receive this notice. You may also dispute the report's accuracy or completeness with EXPERIAN.

If you have questions about our use of credit history and insurance scores or need assistance obtaining a copy of your credit report, please call the Credit Information Team at 1-800-822-4763 between the hours of 8:00 a.m. and 7:50 p.m. Eastern time Monday through Friday.

The consumer reporting agencies who provided us with information about you did not make the underwriting and rating decision described in this notice, and cannot explain why the action was taken. If the information in a report is incorrect, you may call Customer Service for a review of your premium after the report has been corrected by the consumer reporting agency.

Since information contained in your consumer reports affects your premium, it is important for you to ensure that information in the reports is accurate.

### **How can an insurance score be improved?**

A consumer can improve his or her insurance score, or maintain a good score, by paying bills on time and keeping credit balances low. It is also a good practice to avoid numerous credit applications in a short period of time. Every consumer should also regularly review his or her credit report to ensure that it remains accurate.

### **Why is credit history reviewed and used?**

Credit history information has proven to be a very powerful predictor of future losses. This is confirmed by company data and research undertaken by a number of groups including EPIC Actuaries; LLC; the University of Texas at Austin; Fair, Isaac & Company and the Texas Department of Insurance.

Using credit history information as an underwriting factor has allowed us to offer more accurate and lower premiums to more people. Frequently, consumers unable to meet more traditional underwriting guidelines are able to get a lower premium because a review of their credit history is a component of the underwriting process.

## **Notice of underwriting and rating decision**

We provided you a less favorable rating classification due, in part, to information we evaluated from your "Current Carrier" and "Credit" reports.

Reason: Rating classification

Consumer reporting source:

- Experian Information Solutions, Inc
- LexisNexis Risk Solutions

Information was provided by:

Experian Information Solutions, Inc

P.O. Box 2002

Allen, TX 75013

1-888-397-3742

<http://www.experian.com/reportaccess>

LexisNexis Risk Solutions

P.O. Box 105108

Atlanta, GA 30348-5108

1-800-456-6004

[www.consumerdisclosure.com](http://www.consumerdisclosure.com)

You may obtain from the vendor a free copy of the report for 60 days after you receive this notice. Also, you may dispute its accuracy or completeness with the vendor.

The vendor did not make this decision and cannot explain why the action was taken. If you have questions about the decision, please call Progressive Customer Service.