

<i>In re</i> LEGION)	CONSENT AGREEMENT
INSURANCE COMPANY)	
)	
Docket No. INS-00-3011)	

Legion Insurance Company and the Maine Superintendent of Insurance hereby enter into this Consent Agreement, pursuant to 5 M.R.S.A. § 9053(2), to resolve, without an adjudicatory hearing, issues arising out of Legion’s conduct under a license issued by the Superintendent.

Stipulations

1. The Superintendent is the official charged with administering and enforcing the insurance laws of the State of Maine.
2. Legion is domiciled in the Commonwealth of Pennsylvania, and is authorized by the Superintendent to act as an insurer in the State of Maine.
3. On April 25, 2000, Bureau of Insurance Senior Insurance Rate Analyst Bradford Brown wrote to Legion on behalf of the Superintendent, requesting explanations of premium audit adjustments Legion had billed to four Maine employers for which Legion provides workers’ compensation insurance: Daiken Pallet, Bob White Associates, BTC Property Management, Inc., and Maine Market Ref. LLC. The Superintendent had received complaints that these employers had been billed after the deadline imposed by Bureau of Insurance Rule 470 for retroactive premium increases.
4. In his letters, Mr. Brown explained that pursuant to 24-A M.R.S.A. § 220(2), a response to such inquiries is required within 14 days.
5. Legion failed to respond, and Mr. Brown sent an additional letter on June 2, 2000, reminding Legion that it had failed to respond to the earlier letter as required by law and that insurers must respond to consumer complaints within 14 days. The letter further warned that if Legion did not reply to that letter within 14 days, the matter would be referred to the Bureau’s Legal Unit.
6. That letter was sent certified mail, and was received by Legion Insurance on June 8.
7. Legion did not respond to the June 2 letter either. Legion admits that its failures to provide timely responses with respect to the four consumer complaints violate 24-A M.R.S.A. § 220(2).

Covenants

8. A formal hearing in this matter is waived and no appeal will be taken. This Consent Agreement is an enforceable final agency action of the Superintendent of Insurance within the meaning of the Maine Administrative Procedure Act.
9. Legion agrees to pay a civil penalty of \$200 for each of its four failures to respond, pursuant to 24-A M.R.S.A. § 12-A. A check for \$800, payable to the Treasurer of the State of Maine, shall be submitted at the time of the execution of this Agreement.
10. Legion agrees to cooperate with the Superintendent in the investigation of the underlying complaint and to provide all necessary information in a timely manner.
11. In consideration of Legion’s execution of and compliance with the terms of this Consent Agreement, the Superintendent agrees to forgo pursuing any disciplinary measures or

other civil sanction for Legion's failure to respond to the Superintendent's inquiry, other than those agreed to in this Consent Agreement.

12. It is understood by the parties to this Agreement that nothing herein shall affect any rights or interests that any person not a party to this Agreement may possess.
13. Legion understands and acknowledges that this Agreement will constitute a public record within the meaning of 1 M.R.S.A. § 402, and will be available for public inspection and copying as provided for by 1 M.R.S.A. § 408.
14. Legion has been advised of its right to consult with counsel, and has consulted with counsel before executing this Agreement.
15. This Consent Agreement may only be modified by the written consent of the parties.

FOR LEGION INSURANCE COMPANY

Dated:

(signature)

(printed name and title)

Personally appeared before me this day
Agreement in my presence.

, and signed this Consent

Notary Public

FOR THE MAINE ATTORNEY GENERAL

Dated:

Judith Shaw Chamberlain, AAG

BY THE SUPERINTENDENT OF INSURANCE

Dated:

Alessandro A. Iuppa, Superintendent