

**IN RE :ONEBEACON INSURANCE
COMPANY**

DOCKET NO. INS-04-220

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CONSENT AGREEMENT

OneBeacon Insurance Company (“OneBeacon”), the Maine Superintendent of Insurance (the “Superintendent”), and the Maine Office of the Attorney General hereby enter into this Consent Agreement, pursuant to 10 M.R.S.A. § 8003(5)(B), to resolve, without an adjudicatory hearing, issues arising out of OneBeacon’s failure to respond to inquiries of the Superintendent.

Stipulations

1. The Superintendent is the official charged with administering and enforcing the insurance laws of the State of Maine.
2. OneBeacon is a Pennsylvania stock insurance corporation with a principal place of business in Boston, Massachusetts, and has been authorized by the Superintendent pursuant to 24 A M.R.S.A. § 414 to do business in the State of Maine as a workers’ compensation insurer.
3. On February 17, 2004, Bureau of Insurance Workers’ Compensation Division Supervisor Frank Kimball wrote a letter on behalf of the Superintendent, requesting that OneBeacon provide certain information regarding its compliance with the premium escrow provisions of the 2001 workers’ compensation loss cost filing. Although the letter reminded OneBeacon of its obligation to reply within 30 days, OneBeacon did not do so, and admits that its failure to provide a timely response is a violation of 24 A M.R.S.A. § 220(2).
4. OneBeacon also failed to respond to further inquiries from the Bureau of Insurance on May 6, 2004 and September 27, 2004, the second of which was captioned “FINAL NOTICE.” OneBeacon admits that its failures to provide timely responses are further violations of 24 A M.R.S.A. § 220(2).

Covenants

OneBeacon, the Superintendent, and the Office of the Attorney General agree as follows:

5. This Consent Agreement is entered into in accordance with 10 M.R.S.A. § 8003(5)(B) and is not subject to review or appeal. This Consent Agreement is enforceable by an action in the Superior Court.
6. OneBeacon agrees to the imposition of a civil penalty of \$1000, pursuant to 24 A M.R.S.A. § 12 A(1). A check for that amount, payable to the Treasurer of the State of Maine, shall be submitted at the time of the execution of this Agreement. OneBeacon further agrees to work cooperatively with the Bureau to provide all information requested in the Bureau’s February 17,

2004 letter on an expedited basis, if such information has not already been provided in full before the execution of this Agreement.

7. In consideration of OneBeacon's execution of and compliance with the terms of this Consent Agreement, the Superintendent agrees to forgo pursuing any disciplinary measures or other civil or administrative sanction for the actions described in the Stipulations, other than those agreed to in this Consent Agreement. However, should OneBeacon violate this Consent Agreement, the Superintendent reserves the right to pursue any available legal remedy for the violation, including without limitation the suspension or revocation of OneBeacon's certificate of authority to act as an insurer in the State of Maine.

8. The parties to this Agreement understand that nothing herein shall affect any rights or interests that any person not a party to this Agreement may possess.

9. OneBeacon understands and acknowledges that this Agreement will constitute a public record within the meaning of 1 M.R.S.A. § 402, will be available for public inspection and copying as provided for by 1 M.R.S.A. § 408, and will be reported to the National Association of Insurance Commissioners' "RIRS" database.

10. OneBeacon has been advised of its right to consult with counsel, and has consulted with counsel before executing this Agreement.

11. This Consent Agreement may be modified only by a written agreement executed by all of the parties.

FOR ONEBEACON

Dated:

(signature)

(printed name and title)

Personally appeared before me this day _____, and signed this Consent Agreement in my presence.

Notary Public

FOR THE OFFICE OF THE ATTORNEY GENERAL

Dated:

Thomas C. Sturtevant, Jr., AAG

BY THE SUPERINTENDENT OF INSURANCE

Dated:

Alessandro A. Iuppa, Superintendent