

State of Rhode Island and Providence Plantations
DEPARTMENT OF BUSINESS REGULATION
Insurance Division
1511 PONTIAC AVENUE, BLDG. 69-2
CRANSTON, RHODE ISLAND 02920

IN THE MATTER OF:	:	
	:	
QUINCY MUTUAL FIRE INSURANCE	:	DBR No. 09-I-0222
COMPANY	:	
	:	
RESPONDENT.	:	

CONSENT AGREEMENT

It is hereby agreed between the Department of Business Regulation (“Department”) and Quincy Mutual Fire Insurance Company (“Respondent”) as follows:

1. Respondent is an insurer licensed in the State of Rhode Island to issue property & casualty insurance policies including insurance policies insuring residential homes.
2. On or about May 14, 2009, the Department received information from outside sources that Respondent was canceling contracts with some insurance producers in Rhode Island. The Department had not been informed of these cancellations by Respondent nor had a nonrenewal plan been filed with the Department.
3. Respondent writes business in Rhode Island only through independent agents. Therefore, if agents do not submit business Respondent will not receive applications for insurance from Rhode Island consumers.
4. Based on the producers proposed to be terminated by Respondent the Department was concerned that the proposed action could violate R.I. Gen. Laws § 27-29-4(7)(iii) and R.I. Gen. Laws § 27-29-4.1 and required an approved plan under Insurance Regulation 110 section

8(B). Respondent does not agree that these statutes and regulation would be implicated by their proposed action.

5. The Department contacted Respondent concerning the notices to producers. Respondent extended the notices and worked with the Department to find an alternative for consumers. This agreement represents confirmation that Respondent implemented an alternative plan acceptable to the Department before any consumer received a nonrenewal notice. The Department believes that this plan is in accordance with Insurance Regulation 110 section 8(B).

6. The Department and Quincy have decided to set aside the legal issue of whether or not these actions violated the above referenced statute and regulation based upon the agreement reflected below.

THEREFORE, based on the foregoing, Respondent and the Department have decided to resolve this matter without further administrative proceedings and hereby agree to the following resolution:

1. Respondent has filed a plan with the Department that provides for transferring the renewal rights under the majority of homeowner contracts to another licensed insurer.
2. Respondent will continue to write homeowners insurance through two agencies, one of which is owned by Respondent and the other which has its business concentrated in Massachusetts, and will continue to write automobile and commercial accounts in Rhode Island.

Counsel for the Department and Respondent hereby consent and agree to the foregoing on behalf of their respective clients the 16th day of November 2009.

Department of Business Regulation
By it's Legal Counsel,

Respondent
By its attorney,

original signature on file

Elizabeth Kelleher Dwyer

original signature on file

Stephen Zubiago