



JOHN ELIAS BALDACCI
GOVERNOR

STATE OF MAINE
DEPARTMENT OF PROFESSIONAL
AND FINANCIAL REGULATION
BUREAU OF INSURANCE
34 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0034

ALESSANDRO A. IUPPA
SUPERINTENDENT

AGR 18017

In re:

The Yarmouth Insurance Agency

**STATE OF MAINE
BUREAU OF INSURANCE**

Docket No. INS 03-441

CONSENT AGREEMENT

This document is a Consent Agreement authorized by Title 10 M.R.S.A. § 8003(5), entered into among **The Yarmouth Insurance Agency** of Yarmouth, Maine (hereafter, "the Producer Agency"); the Maine Bureau of Insurance; and the Maine Department of the Attorney General. Its purpose is to resolve, in lieu of an adjudicatory proceeding, violations of Title 24-A M.R.S.A. §1447 and §1449.

STATEMENT OF FACTS

1. The Superintendent of Insurance is the official charged with administering and enforcing Maine's insurance laws and regulations, and the Bureau of Insurance is the administrative agency with such jurisdiction.
2. For all relevant periods, the Producer Agency represented Dairyland Insurance Company in a producer capacity.
3. Title 24-A M.R.S.A. §1447 requires producer licensees to maintain records for at least three years following the respective transactions, including information pertaining to premium payments and identity of insureds.
4. Title 24-A M.R.S.A. §1449 stated, for the time period relevant to this matter: "All premiums and return premiums received by an insurance producer are trust funds received by the licensee in a fiduciary capacity. The licensee shall account for and pay the premiums to the insured or apply the premiums to outstanding balances of any insured within 10 days from the date of receipt. The date of receipt is the date the money is actually received or the date the credit is posted by the insurer, health maintenance organization, fraternal benefit society or nonprofit hospital or medical service organization to the licensee's account. The licensee shall promptly account for and pay premiums to the insurer, health maintenance organization, fraternal benefit society or nonprofit hospital or medical service organization in accordance with the contract between the insurer, health maintenance organization, fraternal benefit society or nonprofit hospital or medical service organization and the licensee."



PRINTED ON RECYCLED PAPER
Maine Bureau of Insurance - **CONSENT AGREEMENT - Dairyland Premium refunds**

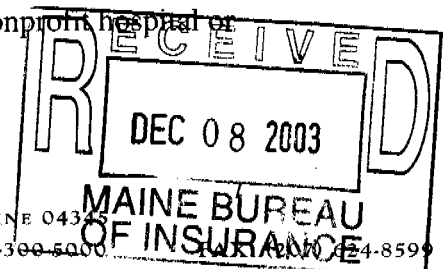
OFFICES LOCATED AT: 124 NORTHERN AVE., GARDINER, MAINE 04343

PHONE: (207) 624-8475

TDD (207) 624-8563

CUSTOMER COMPLAINT 1-800-360-5000

www.MaineInsuranceReg.org



5. The Bureau has reviewed the Producer Agency's records with regard to its handling of return premiums as an appointed producer of Dairyland.

CONCLUSIONS OF LAW

6. The Producer Agency failed to comply with the ten day requirement of §1449 in a number of instances. It paid or credited more than five percent (5%) of such refunds, totalling more than \$100.00, only after a period of 30 days had elapsed, and only after the Bureau's review of this matter commenced.

7. The Producer Agency failed to comply with the recordkeeping requirement of §1447, as it was unable to account for \$123.05, which comprised more than five percent (5%) of the total amount of return premiums in question.

COVENANTS

8. The Producer Agency, the Maine Bureau of Insurance, and the Maine Department of the Attorney General agree to the following.

9. 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.

10. At the time of executing this Consent Agreement, the Producer Agency will remit to the Maine Bureau of Insurance a civil penalty in the amount of \$300.00, payable to the Treasurer of the State of Maine.

11. The Producer Agency will promptly make appropriate payments or credits concerning premiums and return premiums as required under the Maine Insurance Code, specifically 24-A M.R.S.A. §1449 as amended, at all times in the future.

12. The Producer Agency understands and acknowledges that this Agreement will constitute a public record within the meaning of 1 MRSA § 402, and will be available for public inspection and copying as provided for by 1 MRSA § 408, and will be reported to the NAIC "RIRS" database.

13. In consideration of the Producer Agency's execution of and compliance with the terms of this Consent Agreement, the Superintendent of Insurance, Bureau of Insurance, and Department of the Attorney General agree to forgo pursuing further disciplinary measures or other civil or administrative sanction for the actions described in this Consent Agreement, other than those agreed to herein. However, should the Producer Agency violate this Consent Agreement, it may be subject to any available legal remedy for the violation, including without limitation the suspension or revocation of all licenses issued under the Maine Insurance Code.

14. Nothing in this Agreement shall affect the rights or interests of any person who is not a party to this Agreement.

[Agency]

Dated: 12/04, 2003

By Jane S. Lindahl
Jane S. Lindahl
(printed name)

Its President

State of Maine, Cumberland Co.

Subscribed and Sworn to before me
this 4th day of DEC, 2003.

Mary Hill
Notary Public
Mary Hill
(printed name)

MARY L. HILL
NOTARY PUBLIC, Maine
My Commission Expires
December 01, 2006

THE MAINE BUREAU OF INSURANCE

Dated: 2/26/04

Alessandro A. Iuppa
By Alessandro A. Iuppa, Superintendent

FOR THE DEPARTMENT OF THE ATTORNEY GENERAL

Dated: February 25, 2004

Thomas C. Sturtevant, Jr.
Assistant Attorney General
Thomas C. Sturtevant, Jr., ATG
(printed name)