



THE TREASURER OF THE STATE OF FLORIDA  
DEPARTMENT OF INSURANCE

TOM GALLAGHER

IN THE MATTER OF:

CASE NO. 40504-01-CO

**MASSACHUSETTS BAY  
INSURANCE COMPANY**  
2000 Property and Casualty  
Target Market Conduct Examination

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**CONSENT ORDER**

THIS CAUSE came on for consideration as the result of an agreement between **MASSACHUSETTS BAY INSURANCE COMPANY** (hereinafter referred to as “**MASSACHUSETTS BAY**”) and the **FLORIDA DEPARTMENT OF INSURANCE** (hereinafter referred to as “the **DEPARTMENT**”). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the Treasurer and Insurance Commissioner, as head of the **FLORIDA DEPARTMENT OF INSURANCE**, hereby finds as follows:

1. The Treasurer and Insurance Commissioner, as head of the **DEPARTMENT**, has jurisdiction over the subject matter of, and parties to, this proceeding.
2. **MASSACHUSETTS BAY** is a foreign property and casualty insurer authorized to transact insurance business in Florida and is subject to the jurisdiction and regulation of the **DEPARTMENT** pursuant to the Florida Insurance Code.

3. The **DEPARTMENT** conducted a property and casualty target market conduct examination of **MASSACHUSETTS BAY** covering the period of January 1998 through December 1998, pursuant to Section 624.3161, Florida Statutes. As a result of such examination, the **DEPARTMENT** determined that **MASSACHUSETTS BAY** committed the following violations of the Florida Insurance Code or Florida Administrative Code as outlined in total in the Fine Worksheet provided with the Report of Examination Findings.

1. Section 624.401, F.S.-Failure to Comply with Provisions of Chapters 175 and 185.

4. The **DEPARTMENT** and **MASSACHUSETTS BAY** expressly waive a hearing in this matter and the making of Findings of Fact and Conclusions of Law by the **DEPARTMENT** and all further and other proceedings herein to which the parties may be entitled by law. **MASSACHUSETTS BAY** hereby knowingly and voluntarily waives the rights to challenge or to contest this Order, in any forum now available to it, including the right to any administrative proceeding, circuit or federal court action, or any appeal.

5. For each violation noted in Paragraph 3, **MASSACHUSETTS BAY** shall provide written documentation to the **DEPARTMENT** no later than 90 days after the execution of the Consent Order, detailing the corrective action as follows:

- a. File a corrected 1998 DR-908 report with the Florida Department of Revenue.
- b. Modify procedures for preparing reports to the Florida Department of Revenue to allow for accurate reporting.
- c. Provide documentation to the Department of Insurance that these corrective actions have been completed within 90 days of the issuance of this Report.

- d. Provide a copy of the corrected report to the Florida Division of Retirement.

6. **MASSACHUSETTS BAY** agrees that upon the execution of this Consent Order it shall be subject to the following terms and conditions:

(a) **MASSACHUSETTS BAY** shall pay an administrative penalty of \$1,750 and administrative costs of \$500 on or before the 30th day after this Consent Order is executed.

(b) **MASSACHUSETTS BAY** shall henceforth comply with all of the provisions of the Florida Insurance Code and Florida Administrative Code, and will implement the recommendations contained in this report within 90 days after execution of Consent Order.

(c) **MASSACHUSETTS BAY** is hereby placed on notice of the requirements of the above referenced sections of law and agrees that any future violations of these sections by **MASSACHUSETTS BAY** may be deemed willful, subjecting **MASSACHUSETTS BAY** to appropriate penalties.

7. **MASSACHUSETTS BAY** agrees that the failure to adhere to one or more of the above terms and conditions of this Order shall constitute a violation of a lawful order of the **DEPARTMENT**, and shall subject **MASSACHUSETTS BAY** to such administrative action as the Treasurer and Insurance Commissioner may deem appropriate.

8. Except as noted above, each party to this action shall bear its own costs and attorney's fees.

9. THEREFORE, the agreement between **MASSACHUSETTS BAY INSURANCE COMPANY** and the **DEPARTMENT**, the terms and conditions of that are set forth above, is approved.

FURTHER, all terms and conditions above are hereby ORDERED.

**DONE AND ORDERED** this \_\_\_\_day of\_\_\_\_, 2001.

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**KEVIN MCCARTY**  
Deputy Insurance Commissioner

By execution hereof **MASSACHUSETTS BAY INSURANCE COMPANY** consents to entry of this Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. I am authorized to execute this document.

**MASSACHUSETTS BAY INSURANCE COMPANY**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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