

**PLAINTIFF(S)** Commonwealth of Massachusetts **DEFENDANT(S)** Metropolitan Property & Casualty Insurance Company

ATTORNEY, FIRM NAME, ADDRESS AND TELEPHONE  
 Glenn Kaplan, AAG, Office of the Attorney General  
 1 Ashburton Place, 18th Floor, Boston MA 02108  
 617-963-2453

ATTORNEY (IF KNOWN)  


BBO# 567308

**Origin code and track designation**

- Place an x in one box only:
- |   |  |     |
|---|--|-----|
| <input checked="" type="checkbox"/> 1. F01 Original Complaint                 | <input type="checkbox"/> 4. F04 District Court Appeal c.231, s. 97 & 104 (After trial)                     | (X) |
| <input type="checkbox"/> 2. F02 Removal to Sup.Ct. C.231,s.104 (Before trial) | <input type="checkbox"/> 5. F05 Reactivated after rescript; relief from judgment/ Order (Mass.R.Civ.P. 60) | (X) |
| <input type="checkbox"/> 3. F03 Retransfer to Sup.Ct. C.231,s.102C (F)        | <input type="checkbox"/> 6. E10 Summary Process Appeal   | (X) |

**TYPE OF ACTION AND TRACK DESIGNATION (See reverse side)**

CODE NO.	TYPE OF ACTION (specify)	TRACK	IS THIS A JURY CASE?
<b>E99 Misc Other (specify) - X track</b>	Assurance of Discontinuance, pursuant to G.L. c. 93A §5		Yes/No No

The following is a full, itemized and detailed statement of the facts on which plaintiff relies to determine money damages. For this form, disregard double or treble damage claims; indicate single damages only.

**TORT CLAIMS**

(Attach additional sheets as necessary)

- |  |                   |
|--|-------------------|
| A. Documented medical expenses to date:  |                   |
| 1. Total hospital expenses   | \$ _____          |
| 2. Total Doctor expenses   | \$ _____          |
| 3. Total chiropractic expenses   | \$ _____          |
| 4. Total physical therapy expenses   | \$ _____          |
| 5. Total other expenses (describe)   | \$ _____          |
|  | Subtotal \$ _____ |
| B. Documented lost wages and compensation to date  | \$ _____          |
| C. Documented property damages to date   | \$ _____          |
| D. Reasonably anticipated future medical and hospital expenses                               | \$ _____          |
| E. Reasonably anticipated lost wages   | \$ _____          |
| F. Other documented items of damages (describe)  | \$ _____          |
| G. Brief description of plaintiff's injury, including nature and extent of injury (describe) |                   |
| <b>Total \$</b>  | N/A               |

**CONTRACT CLAIMS**

(Attach additional sheets as necessary)

Provide a detailed description of claim(s):

**TOTAL \$** N/A.....

PLEASE IDENTIFY, BY CASE NUMBER, NAME AND COUNTY, ANY RELATED ACTION PENDING IN THE SUPERIOR COURT DEPARTMENT

"I hereby certify that I have complied with the requirements of Rule 5 of the Supreme Judicial Court Uniform Rules on Dispute Resolution (SJC Rule 1:18) requiring that I provide my clients with information about court-connected dispute resolution services and discuss with them the advantages and disadvantages of the various methods."  
 Signature of Attorney of Record \_\_\_\_\_ Date: Sep 18, 2012  
 A.O.S.C. 3-2007

IN THE MATTER OF )  
Metropolitan Property and Casualty Insurance )  
Company )



**ASSURANCE OF DISCONTINUANCE**  
*PURSUANT TO M.G.L. CHAPTER 93A, § 5*

**I. INTRODUCTION**

1. The Commonwealth of Massachusetts (“**Commonwealth**”), through the Office of Attorney General Martha Coakley (“**AGO**”), and Metropolitan Property and Casualty Insurance Company (“**Met P&C**”), an insurer licensed to write private passenger automobile insurance in the Commonwealth, enter into this Assurance of Discontinuance (“**AOD**”), pursuant to M.G.L. c. 93A, § 5.

2. Pursuant to M.G.L. c. 93A, § 6, the AGO conducted an investigation of Met P&C’s termination of Massachusetts private passenger automobile insurance policies belonging to policyholders who met the state’s “clean-in-three” definition (“**Clean-in-Three Policyholders**”).

3. Based on her investigation, the AGO alleges that Met P&C non-renewed a number of Massachusetts automobile insurance policies belonging to Clean-in-Three Policyholders, in violation of Commonwealth Automobile Reinsurer (“**CAR**”) rules and Massachusetts law.

4. In lieu of litigation and in recognition of Met P&C’s assistance and cooperation, the AGO agrees to accept this AOD on the terms and conditions contained herein. The AGO and Met P&C both voluntarily enter into this AOD.

5. This AOD does not constitute an admission by Met P&C of any fact or non-compliance with any state or federal law, rule or regulation. Met P&C enters into this AOD for settlement purposes only and neither admits nor denies the AGO's allegations. This AOD is made without any trial or adjudication of any issue of fact or law.

## II. PAYMENTS

6. As soon as practicable but in no event later than ninety (90) business days after the entry of this AOD, Met P&C shall make payments of \$620 each to the fifty six (56) Clean-in-Three Policyholders whose policies the AGO alleges were wrongfully terminated and who were placed in the residual market or Massachusetts Automobile Insurance Plan ("MAIP") subsequent to their alleged improper non-renewal ("**MAIP Affected Policyholder**"), for a total of Thirty Four Thousand, Seven Hundred and Twenty Dollars (\$34,720). Each such payment shall be accompanied by a letter from Met P&C, in the form attached hereto at Exhibit A ("**Proffer Letter**"). For each MAIP Affected Policyholder, Met P&C shall also send the policyholder's producer of record as of the time of the termination of the policy a summary letter, attached hereto at Exhibit B. Within three (3) business days of the entry of this AOD, the AGO shall provide Met P&C with a list identifying the policy numbers for the MAIP Affected Policyholders ("**AGO List**").

7. As soon as practicable but in no event later than ninety (90) business days after the entry of this AOD, Met P&C shall make payments of \$120 each to the two thousand five hundred and eighty three (2,583) Clean-in-Three Policyholders whose policies the AG alleges were wrongfully terminated, but who subsequently obtained coverage in the voluntary market ("**Affected Policyholder**"), for a total of Three Hundred and Nine Thousand, Nine Hundred and Sixty Dollars (\$309,960). Each such payment shall be

accompanied by a letter from Met P&C, in the form attached hereto at Exhibit A (“Proffer Letter”). For each Affected Policyholder, Met P&C shall also send the policyholder’s producer of record as of the time of the termination of the policy a summary letter, attached hereto at Exhibit B. Within three (3) business days of the entry of this AOD, the AGO shall provide Met P&C with a list identifying the policy numbers for the Affected Policyholders (“AGO List”).

8. Met P&C may issue the payments made pursuant to paragraphs Six and Seven of this AOD to the last known addresses contained within its records. Met P&C will send the payments and proffer letters required pursuant to paragraphs Six and Seven of this AOD through the U.S. Postal Service (“USPS”) and shall obtain a certificate of mailing. If any payment is returned to Met P&C by the USPS with a forwarding address within ninety (90) days of mailing, Met P&C will re-mail the payment to said forwarding address within fifteen (15) days of the date the mailing is returned to Met P&C by the USPS, and shall obtain a certificate of mailing. If any payment is returned to Met P&C without a forwarding address, Met P&C shall undertake commercially reasonable efforts to obtain a current address and re-mail the payment to any forwarding address obtained through said efforts within 15 days of obtaining said address, and obtain a certificate of mailing.

### III. DISPOSITION OF SETTLEMENT FUND

9. On or after September 1, 2013, but no later than September 10, 2013, Met P&C shall provide to the AGO a report (“Final Report”) identifying the first named policyholders, second named policyholders (if any) and addresses for all policyholders (1) whose payments have been returned to Met P&C and have not been re-delivered to a

current address or (2) whose payments have not been drawn from Met P&C's account on or before August 31, 2013 (together "Unpaid amounts").

10. On or after September 1, 2013, but no later than the date of the Final Report, Met P&C shall cancel all outstanding checks for Unpaid Amounts, and shall pay the Unpaid Amounts, in a single certified check that aggregates all Unpaid Amounts, to the AGO, which will hold such funds in an account ("**Holding Fund**") until November 30, 2013, during which time the AGO may attempt to locate those policyholders whose payments have not been paid in order to distribute the Unpaid Amounts.

11. On December 1, 2013, the balance of the Holding Fund will be transferred from the Holding Fund to the AGO as a grant from Met P&C for education, outreach, and mediation purposes relating to private passenger auto insurance.

#### **IV. EXPENSES OF REVIEW & AOD**

12. In addition to any payments referred to in the other paragraphs of this AOD, within ten (10) business days of the entry of this AOD, Met P&C will pay \$50,000 to the Commonwealth including costs and expenses and of which no part will be considered a penalty or fine. This payment shall be made by a certified check payable to the Commonwealth, which shall be delivered to Sabrina Maynard, Office of the Attorney General, One Ashburton Place, 18th Floor, Boston, MA, 02108.

#### **V. REVISED BUSINESS PRACTICES**

13. Met P&C agrees that it will follow CAR rules and Massachusetts statutes and regulations in renewing and non-renewing Massachusetts private passenger automobile insurance policies.

## VII. COOPERATION & RECORD KEEPING

14. Met P&C will cooperate with the AGO during the implementation of this AOD and any related AGO reviews and, at the AGO's request, will provide all information reasonably necessary for the AGO to contact Met P&C's policyholders regarding payments under this AOD.

15. Met P&C will create and maintain, for a period of at least seven years from the entry date of this AOD, all records necessary to demonstrate Met P&C's compliance with its obligations under this AOD and will provide such records to the AGO upon request.

## VI. MISCELLANEOUS PROVISIONS

16. After the entry of this AOD and before September 1, 2013, if a policyholder provides information to the AGO and/or Met P&C showing that at the time of cancellation or nonrenewal the policyholder was a Clean in Three Policyholder and was improperly terminated, and the AGO finds in its sole discretion that the policyholder is entitled to relief under the AOD, Met P&C will make a payment to the policyholder pursuant to paragraph 6 above for MAIP Affected Policyholders or pursuant to paragraph 7 above for Affected Policyholders. Any such payment shall be in addition to the amounts referred to in paragraphs 6, 7, and 12 of the AOD.

17. The AGO will not proceed with or institute a civil action or proceeding based upon M.G.L. c. 93A or any other statute or regulation, or common law, against Met P&C, or any of Met P&C's agents, subsidiaries and subdivisions, successors, assigns, or any purchasers of all or substantially all of its assets, for Met P&C's actions, prior to the entry of

this AOD, in non-renewing private passenger automobile insurance policies owned by MAIP Affected Policyholders or Affected Policyholders.

18. The AOD constitutes the entire agreement between the AGO and Met P&C and supersedes any prior communication, understanding or agreements, whether written or oral, concerning the subject matter of the AOD. This AOD can be modified or supplemented only by a written document signed by both parties.

19. The AOD will be binding upon the Commonwealth and Met P&C, its agents, subsidiaries and subdivisions, as well as its successors, assigns, and/or purchasers of all or substantially all of its assets.

20. The AOD and its provisions will be effective on the date that it is filed in the Superior Court for Suffolk County.

All notices required under the AOD will be provided as follows:

To the AGO:

Arwen Thoman, Investigations Supervisor  
Office of the Massachusetts Attorney General  
Public Protection & Advocacy Bureau  
Insurance & Financial Services Division  
One Ashburton Place 18th Floor  
Boston, MA 02108  
(617) 963-2138

To Met P&C:

Michael McCabe, Senior Counsel  
Metropolitan Property and Casualty Insurance Company  
700 Quaker Lane  
PO Box 350  
Warwick, RI 02887  
(401) 827-3841

21. By signing below, Met P&C agrees to comply with all of the terms of this AOD. Any violation of this AOD may be pursued in a civil action or proceeding under M.G.L. c. 93A hereafter commenced by the AGO.

**Met P&C Property & Casualty  
Insurance Company**



Scott Kuczmariski,  
Vice President  
Met P&C Property & Casualty Insurance Company  
700 Quaker Lane  
Warwick, RI 02887

Date: 9/12/2012

**Office of the Attorney General**



Glenn Kaplan, BBO # 567302  
Peter Leight, Esq.  
Assistant Attorneys General  
Office of Attorney General Martha Coakley  
One Ashburton Place 18<sup>th</sup> Floor  
Boston, MA 02108  
BBO# 631580

Date: 9/12/12

EXHIBIT A

*SETTLEMENT NOTICE*

Dear Former Policyholder (By Name):

Metropolitan Property & Casualty Insurance Company ("Met P&C") has been cooperating with Attorney General Martha Coakley in her investigation of Met P&C's non-renewal of certain Massachusetts automobile insurance policies. Met P&C is pleased to announce that it has reached a settlement with the Attorney General to resolve the investigation.

Under the terms of the settlement, you are entitled to a payment of \$\_\_\_\_\_. Enclosed is a check in that amount. **You must cash the check by August 31, 2013 or it will be cancelled.**

To learn more about the settlement, you can visit the Attorney General's website at [www.mass.gov/ago/non-renewed](http://www.mass.gov/ago/non-renewed) . If you have questions regarding the settlement, you may contact Met P&C at 1-888 -234-0654 or the Attorney General's Insurance & Financial Services Division at 1-888-830-6277.

Sincerely,

EXHIBIT B  
SETTLEMENT NOTICE

Dear Producer:

Metropolitan Property & Casualty Insurance Company ("Met P&C") has been cooperating with Attorney General Martha Coakley in her investigation of Met P&C's non-renewal of certain automobile insurance policies. Met P&C is pleased to announce that it has reached a resolution with the Attorney General to resolve the investigation.

Under the terms of the settlement Met P&C will make payments to former policyholders whose policies the Attorney General's Office alleges were improperly non-renewed. The amount of the payment is dependent upon whether the policyholder was subsequently insured in the MAIP.

As a courtesy, we are writing to let you know that we are making the following payments to your customers. Per our settlement with the Attorney General, we are sending these payments directly to the policyholders.

First Named Insured	Second Named Insured	Address	Payment Amount

Thank you for your attention to this matter. We apologize for any inconveniences we have caused you. To learn more about the settlement, you can visit the Attorney General's website at [www.mass.gov/ago/non-renewed](http://www.mass.gov/ago/non-renewed) . You can also call Met P&C at 1-888-234-0654 or the Attorney General's Insurance & Financial Services Division at 1-888-830-6277.

Sincerely,

[SIGNATURE BLOCK]