

DEC 30 2004

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

DEPT OF INSURANCE
BY Kath

In the Matter of:

THE PAUL REVERE LIFE INSURANCE COMPANY
(NAIC No. 67598)

Respondent.

Docket No. 04A-214-INS

CONSENT ORDER

The State of Arizona Department of Insurance ("Department") has received information regarding alleged claims of "unfair claim settlement practices" by Respondent The Paul Revere Life Insurance Company for both individual disability income ("IDI") and group long term disability ("LTD") policies. The Paul Revere Life Insurance Company wishes to resolve this matter without the commencement of formal administrative proceedings and neither admits nor denies the following Findings of Fact and Conclusions of Law and consents to the entry of this Order.

FINDINGS OF FACT

1. Respondent The Paul Revere Life Insurance of America ("Paul Revere") currently holds, and has held since 1930, a certificate of authority to transact business as a life and disability insurer in the State of Arizona (NAIC No. 67598). Paul Revere is domiciled in Massachusetts.

2. On September 2, 2003, the Commissioner of the Massachusetts Division of Insurance, along with the Superintendent of the State of Maine Bureau of Insurance and the Commissioner of the Tennessee Department of Commerce and Insurance (the "Lead Regulators,") called a multistate targeted market conduct examination of the following companies: Respondent Paul Revere; Unum Life Insurance Company of America ("Unum"), a

1 Maine domiciled insurer; and Provident Life and Accident Insurance Company ("Provident"), a
2 Tennessee domiciled insurer. The other forty-seven states, the District of Columbia and
3 American Samoa chose to be "Participating States" in the Multistate Examination.

4 3. On or about November 18, 2004, Paul Revere entered a Regulatory Settlement
5 Agreement ("the Agreement") with the Lead Regulators and the Agreement was presented to
6 the Director of Insurance for the State of Arizona ("Director"). The Agreement is attached
7 hereto as Exhibit A and incorporated herein by this reference. The Report of the Targeted
8 Multistate Market Conduct Examination is on file and available for review at the Arizona
9 Department of Insurance.

10 CONCLUSIONS OF LAW

- 11 1. The Director has jurisdiction over this matter.
- 12 2. Grounds exist for the entry of the following Order pursuant to A.R.S. §§20-220
13 and 20-461.

14 ORDER

15 IT IS ORDERED that Respondent The Paul Revere Life Insurance Company shall
16 comply with all terms and conditions of the Regulatory Settlement Agreement as incorporated
17 herein.

18 DATED AND EFFECTIVE this 29th day of December 2004.

19
20 
21 _____
22 CHRISTINA URIAS
23 Director of Insurance
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1 **CONSENT TO ORDER**

2 1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law and
3 Order.

4 2. Respondent admits the jurisdiction of the Director of Insurance, State of Arizona and
5 admits the foregoing Findings of Fact and consents to the entry of the foregoing Conclusions
6 of Law and Order.

7 3. Respondent is aware of its rights to notice and a hearing at which it may be
8 represented by counsel, present evidence and examine witnesses. Respondent
9 irrevocably waives its rights to such notice and hearing and to any court appeals
10 relating to this Consent Order.

11 4. Respondent states that no promise of any kind or nature whatsoever, except as
12 expressly contained in this Consent Order, was made to it to induce it to enter into
13 this Consent Order and that it has entered into this Consent Order voluntarily.

14 THE PAUL REVERE LIFE INSURANCE COMPANY

15
16 12/22/04
DATE

By 
Chief Executive Officer

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19 COPY of the foregoing mailed/delivered
20 this 30th day of Dec., 2004 to:

21 J. David Leslie
22 Rackemann, Sawyer & Brewster
23 One Financial Center
24 Boston, MA 02111
Special Counsel

1 Alessandro A. Iuppa
Superintendent of Insurance
2 Dept. of Professional and Financial Regulation
Bureau of Insurance, State of Maine
3 34 State House Station
Augusta, ME 04333

4 Julianne M. Bowler
5 Commissioner of Insurance
Division of Insurance
6 Commonwealth of Massachusetts
One South Station, 5th Floor
7 Boston, MA 02110-2208

8 Paula Flowers
Commissioner of Insurance
9 Department of Commerce and Insurance
Davy Crockett Tower, Fifth Floor
10 500 James Robertson Parkway
Nashville, TN 37243-0565

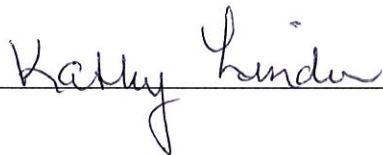
11 James M. Benages, Regional Director
12 U.S. Department of Labor
Employee Benefits Security Administration
13 JFK Federal Building, Room 575
Boston, MA 02203

14 Gerrie L. Marks, Deputy Director
15 Mary M. Butterfield, Assistant Director
Steven P. Ferguson, Assistant Director
16 Alexandra Shafer, Assistant Director
Deloris E. Williamson, Assistant Director
17 Paul Hogan, Chief Market Conduct Examiner
Erin Klug, Public Information Officer
18 Catherine M. O'Neil, Consumer Legal Affairs Officer
Arizona Department of Insurance
19 2910 N. 44th Street, 2nd Floor
Phoenix, AZ 85018

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