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BEFORE THE COMMISSIONER OF INSURANCE
 OF THE STATE OF UTAH

In Re:	:	
	:	
MULTISTATE REGULATORY SETTLEMENT	:	ADOPTION OF
AGREEMENT WITH:	:	REGULATORY
	:	SETTLEMENT AGREEMENT
	:	
QBE HOLDINGS, INC.	:	Docket No. 2017-101 AD
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WHEREAS, a regulatory settlement agreement (“Regulatory Settlement Agreement” or “RSA”) has been entered into between (a) QBE Holdings, Inc. and each of its affiliates, predecessors, successors, assigns and subsidiaries (collectively referred to herein as “QBE” or the “Company”) and (b) the insurance regulators of Delaware, Florida, Indiana, Massachusetts, Missouri, Pennsylvania, and Rhode Island (“Lead States”), which RSA was signed by QBE on August 3, 2017, and by each Lead State and at least 13 other states (“Participating States” or “Departments”) to sign no later than January 31, 2018;

WHEREAS, the Departments have regulatory jurisdiction over the business of insurance conducted in their respective jurisdictions;

WHEREAS, the Departments are the Lead and Participating States in the Multi-State Examination that were called to assess the Company's practices and procedures with respect to forced-placed property insurance during the period January 1, 2008 through December 31, 2014;

WHEREAS, based upon the results of the Multistate Targeted Market Conduct Examination which was called on January 16, 2015, the Departments have identified the following preliminary examination findings: (1) QBE's force-placed hazard insurance rates were likely excessive on a "countrywide" basis and the premium produced by these rates exceeded losses and legitimate expenses; (2) this "surplus premium" appears to have been used to fund rebates to QBE's mortgage servicer clients worth hundreds of millions of dollars; (3) improper placement of flood insurance on structures located in areas of low/moderate risk was not a significant problem during the examination period;

WHEREAS, QBE agrees to withdraw its force-placed property insurance rates and forms within 60 days of the effective date of this RSA;

WHEREAS, the Departments determined that activities of QBE are sufficient to merit further regulatory action, though no special formal findings were reached by the parties;

WHEREAS, the Company and the Departments desire to resolve the differences between the Parties as an alternative to a lengthy adjudicatory process for making and enforcing any such formal findings, the Parties determined that entering into a RSA would be in the best interest of consumers, the Company and the Departments;

WHEREAS, QBE will pay \$20,283,000 to the Participating States for the examination, compliance and monitoring costs incurred in connection with the Multistate Targeted Market Conduct Examination, no part of which shall constitute a fine or penalty;

WHEREAS, the RSA will become effective upon the date the RSA has been executed by the Company, the Lead States, and the insurance regulators of at least 13 of the other Participating States; and

WHEREAS, the Commissioner of Insurance of the State of Utah has determined that it is in the best interests of the citizens of the State of Utah that the Utah Insurance Department participate in the settlement of the subject matter of the RSA;

NOW THEREFORE, IT IS HEREBY ORDERED:

The Commissioner of Insurance of the State of Utah, as executive director of the Utah Insurance Department, hereby adopts, agrees to, and approves the Regulatory Settlement Agreement by and between the Company and the Participating States (including the Lead States) that was signed by QBE on August 3, 2017, and by at least 13 Participating States by January 31, 2018. (A copy of the Regulatory Settlement Agreement is attached hereto and incorporated herein by this reference as Exhibit A.)

DATED this 22 day of November, 2017.



TODD E. KISER
Utah Insurance Commissioner
Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114
Telephone: 801-538-3800

Exhibit B

Multistate Targeted Market Conduct Examination

of

QBE Holdings, Inc.

Regulatory Settlement Agreement

SUBSCRIBING REGULATOR ADOPTION

On behalf of Utah Insurance Department, I, TODD E. KISER, hereby adopt, agree to and approve the QBE Regulatory Settlement Agreement executed by QBE on August 3, 2017.

UTAH INSURANCE DEPARTMENT

By:



Title:

Commissioner, Utah Insurance Department

Date:

8.14.17