

**STATE OF MAINE  
BUREAU OF INSURANCE**

**In re:  
CDR Insurance Group, Inc.**

**Docket No. INS 02-001**

**CONSENT AGREEMENT**

This document is a Consent Agreement authorized by Title 10 M.R.S.A. § 8003(5), entered into among CDR Insurance Group, a Connecticut corporation (hereafter, "CDR"); the Maine Bureau of Insurance; and the Maine Department of the Attorney General. Its purpose is to resolve, in lieu of an adjudicatory proceeding, a violation of Title 24-A M.R.S.A §1417(1)(C).

**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. CDR applied for a Maine Nonresident Agency License in September, 2001.

3. Item 22 (2) on the NAIC "Uniform Application for Business Entity Non-Resident License / Registration" form filed with the Bureau required a response to the following question:

"Has the business entity or any owner, partner, officer or director ever been involved in an administrative proceeding regarding any professional or occupational license? 'Involved' means having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, placed on probation or surrendering a license to resolve an administrative action. 'Involved' also means having a license application denied or the act of withdrawing an application to avoid a denial. You may exclude terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee. "

4. The applicant answered "No" to Item 22 (2).

5. The application included Vinent A Stifano III's signature as Vice President of the applicant, dated August 17, 2001, under the statement:

"The undersigned owner, partner, officer or director of the business entity hereby certifies, under penalty of perjury, that: 1) All of the information submitted in this application and attachments is true and complete and I am aware that submitting false information or omitting permanent or material information in connection with this application is grounds for license or registration revocation and may subject me and the business entity to civil or criminal penalties...."

6. Staff of the Maine Bureau of Insurance discovered, through its routine application review process, that the applicant had been subject to an action in the State of Connecticut resulting in a fine in July, 2001.

7. The Supervisor of Licensing for the Maine Bureau of Insurance requested, by letter, an explanation for CDR's failure to disclose the Connecticut fine.

8. The Bureau received a written reply from Mr. Stifano, indicating that the firm had retained a licensing service to assist in its applications, and that on August 17, 2001 he signed a new application prepared by that service, but he erroneously did not update the information on the application he signed to reflect the Connecticut "Complaint, Stipulation and Final Order" and the corresponding \$1,500.00 fine.

### **CONCLUSIONS OF LAW**

9. CDR Insurance Group, Inc. failed to disclose a material fact in its Maine application for nonresident licensing.

10. The firm's failure in its Maine nonresident agency application to disclose the Michigan matter constituted a violation of 24-A M.R.S.A. §1417(1)(C), which provides that obtaining or attempting to obtain any license through misrepresentation, failure to disclose a material fact required to be disclosed in the application or fraud constitutes grounds for denial of the license application.

### **COVENANTS**

11. CDR Insurance Group, Inc., the Maine Bureau of Insurance, and the Maine Department of the Attorney General agree to the following.

12. 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.

13. At the time of executing this Consent Agreement, CDR will remit to the Maine Bureau of Insurance a civil penalty in the amount of \$250.00, payable to the Treasurer of the State of Maine.

14. CDR will promptly report any matters to the Maine Bureau of Insurance during all times as it is licensed through the Bureau, to the extent such reporting is required under the Maine Insurance Code, and will comply in all other respects with the provisions of the Maine Insurance Code, as applicable.

15. In consideration of the applicant's execution of this Consent Agreement, the State of Maine Bureau of Insurance shall issue the Nonresident Agency License for which CDR has applied.

16. CDR 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.

17. Nothing herein shall prohibit the Superintendent or the Maine Bureau of Insurance from seeking an Order to revoke or suspend CDR's license in the State of Maine in the event that it does not comply with the above terms or in the event the Bureau receives evidence that further legal action is necessary for the protection of Maine consumers.

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

**FOR CDR INSURANCE GROUP, INC.**

**CDR Insurance Group, Inc.**

Dated: \_\_\_\_\_, \_\_\_\_\_

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

\_\_\_\_\_  
(printed name)

Its: \_\_\_\_\_  
(Title)

State of Connecticut  
County of \_\_\_\_\_

Subscribed and Sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

**THE MAINE BUREAU OF INSURANCE**

Dated: \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
By Alessandro A. Iuppa, Superintendent

**FOR THE DEPARTMENT OF THE ATTORNEY GENERAL**

Dated: \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_

**Assistant Attorney General**

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(printed name)