

**IN RE:** )  
 )  
**AIU Insurance Company** )  
**American Home Assurance Company** )  
**Chartis Property and Casualty Company** )  
**Commerce and Industry Insurance Company** ) **FIRST AMENDMENT**  
**Granite State Insurance Company** ) **TO**  
**Illinois National Insurance Company** ) **CONSENT AGREEMENT**  
**Insurance Company of the State of Pennsylvania** )  
**National Union Fire Insurance Company of** ) **Docket No. INS-10-240**  
**Pittsburgh, Pa.** )  
**New Hampshire Insurance Company** )  
 )

**THIS FIRST AMENDMENT TO CONSENT AGREEMENT** is entered into by and among AIU INSURANCE COMPANY, AMERICAN HOME ASSURANCE COMPANY, CHARTIS PROPERTY AND CASUALTY COMPANY, COMMERCE AND INDUSTRY INSURANCE COMPANY, GRANITE STATE INSURANCE COMPANY, ILLINOIS NATIONAL INSURANCE COMPANY, INSURANCE COMPANY OF THE STATE OF PENNSYLVANIA, NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA. and NEW HAMPSHIRE INSURANCE COMPANY, each of which is a subsidiary of American International Group, Inc. (collectively, the “Companies” or “AIG Group”; individually, a “Company”), the SUPERINTENDENT OF THE MAINE BUREAU OF INSURANCE (the “Superintendent”), the MAINE WORKERS’ COMPENSATION BOARD (the “Board”), and the OFFICE OF THE MAINE ATTORNEY GENERAL (the “Attorney General”).

**R E C I T A L S**

**WHEREAS**, the AIG Group, the Superintendent, the Board and the Attorney General entered into a Consent Agreement effective October 22, 2010 (the “Consent Agreement”), and

**WHEREAS**, the parties wish to amend the Consent Agreement in certain respects,

**NOW, THEREFORE**, the parties agree that:

1. Capitalized terms used but not defined herein have their respective meanings given in the Consent Agreement.
2. Paragraphs 17 through 22 of the Consent Agreement are deleted in their entirety and replaced with the following:
  17. AIG shall undertake the following:
    - (a) using its in-house claims personnel, review the indemnity claims reviewed by third-party administrators (“TPAs”) under original paragraph 22 of this Agreement; correct any deficiencies in indemnity benefits, penalties and interest calculated by the TPAs; pay to the appropriate claimants any deficiencies, with the penalties and interest provided for in the WCA; and file with the Board such related forms as the WCA requires; and
    - (b) prior to March 31, 2014, deliver to the Superintendent and the Deputy Director, MAE Division an Excel spreadsheet report containing

each claim so reviewed. The report shall contain the following data, safeguarded in accordance with the WCA, for each claim: the Board number, if known; the claimant's Social Security number (general format, no dashes); the claimant's last and first name (in that order); the date of injury; Company name and claim file number; TPA name and file number; the incapacity periods; the amount of indemnity originally paid; whether or not the claim was settled under 39-A M.R.S.A. § 352 (Y or N) and the date of such settlement; the amount of indemnity paid after review by the TPA and after review by the AIG Group; the amount of penalties paid after review by the TPA and after review by the AIG Group; the amount of interest paid after review by the TPA and after review by the AIG Group; the amount of overpayment upon review by the TPA and after review by the AIG Group; and the name of the person conducting the review.

- (c) Upon delivering the audit of claims specified in subparagraph (a), the responsible AIG claims representatives shall meet with the Deputy Director, MAE Division, at a convenient time to review the results of the audit and resolve any concerns of the Deputy Director regarding any audited claim. This collaborative approach is a substitute for a benchmark audit and benchmark audits are not applicable.
- (d) The AIG Group shall not assign to TPAs claims made under policies providing coverage for WCA claims and issued on or after September 1, 2013. The AIG Group shall assign these claims to its in-house claims personnel.
- (e) The civil penalty of \$400,000 shall be suspended pending completion of AIG's obligations under this Agreement as amended. Upon completion of those obligations AIG will no longer be liable for any civil penalties with respect to Docket No. INS-10-240.

- 3. Paragraphs 23 through 33 of the Consent Agreement are renumbered as paragraphs 18 through 28 respectively.
- 4. The effective date of this First Amendment is the date entered in the Superintendent's signature line below.
- 5. Except as hereby amended, the Consent Agreement remains in full force and effect.

Dated: May 17, 2013

**AIU INSURANCE COMPANY**

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

Its: Richard C. Woollams, SVP  
Printed Name and Title

Subscribed and sworn to before me this 17 day of MAY, 2013.

Vincent J Patalano

Notary Public  
VINCENT J PATALANO

Printed name  
OCTOBER 15, 2013

Date commission expires

**VINCENT J. PATALANO**  
Notary Public, State of New York  
No. 31-4987423  
Qualified in New York County  
Commission Expires October 15, 2013

Dated: May 17, 2013

**AMERICAN HOME ASSURANCE COMPANY**

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

Its: Richard C. Woollams, SVP  
Printed Name and Title

Subscribed and sworn to before me this 17 day of MAY, 2013.

Vincent J Patalano

Notary Public  
VINCENT J PATALANO

Printed name  
OCTOBER 15, 2013

Date commission expires

**VINCENT J. PATALANO**  
Notary Public, State of New York  
No. 31-4987423  
Qualified in New York County  
Commission Expires October 15, 2013

Dated: May 17, 2013

**CHARTIS PROPERTY & CASUALTY  
INSURANCE COMPANY**

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

Its: Richard C. Woodlams, SVP  
Printed Name and Title

Subscribed and sworn to before me this 17 day of MAY, 2013.

Vincent J Patalano

Notary Public  
VINCENT J PATALANO

Printed name  
OCTOBER 15, 2013

Date commission expires

VINCENT J. PATALANO  
Notary Public, State of New York  
No. 31-4987423  
Qualified in New York County  
Commission Expires October 15, 2013

Dated: May 17, 2013

**COMMERCE AND INDUSTRY INSURANCE  
COMPANY**

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

Its: Richard C. Woodlams, SVP  
Printed Name and Title

Subscribed and sworn to before me this 17 day of MAY, 2013.

Vincent J Patalano

Notary Public  
VINCENT J PATALANO

Printed name  
OCTOBER 15, 2013

Date commission expires

VINCENT J. PATALANO  
Notary Public, State of New York  
No. 31-4987423  
Qualified in New York County  
Commission Expires October 15, 2013

Dated: May 17, 2013

GRANITE STATE INSURANCE COMPANY

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

Its: Richard C. Woodlams, SVP  
Printed Name and Title

Subscribed and sworn to before me this 17<sup>th</sup> day of MAY, 2013.

Vincent J Patalano  
Notary Public  
VINCENT J PATALANO  
Printed name  
OCTOBER 15, 2013  
Date commission expires

VINCENT J. PATALANO  
Notary Public, State of New York  
No. 31-4987423  
Qualified in New York County  
Commission Expires October 15, 2013

Dated: May 17, 2013

ILLINOIS NATIONAL INSURANCE COMPANY

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

Its: Richard C. Woodlams, SVP  
Printed Name and Title

Subscribed and sworn to before me this 17 day of MAY, 2013.

Vincent J Patalano  
Notary Public  
VINCENT J PATALANO  
Printed name  
OCTOBER 15, 2013  
Date commission expires

VINCENT J. PATALANO  
Notary Public, State of New York  
No. 31-4987423  
Qualified in New York County  
Commission Expires October 15, 2013

Dated: May 17, 2013

**INSURANCE COMPANY OF THE STATE OF PENNSYLVANIA**

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

Its: Richard C. Woollams, SVP  
Printed Name and Title

Subscribed and sworn to before me this 17 day of MAY, 2013.

Vincent J Patalano

Notary Public  
VINCENT J PATALANO

Printed name  
OCTOBER 15, 2013

Date commission expires

**VINCENT J. PATALANO**  
Notary Public, State of New York  
No. 31-4987423  
Qualified in New York County  
Commission Expires October 15, 2013

Dated: May 17, 2013

**NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.**

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

Its: Richard C. Woollams, SVP  
Printed Name and Title

Subscribed and sworn to before me this 17 day of MAY, 2013.

Vincent J Patalano

Notary Public  
VINCENT J PATALANO

Printed name  
OCTOBER 15, 2013

Date commission expires

**VINCENT J. PATALANO**  
Notary Public, State of New York  
No. 31-4987423  
Qualified in New York County  
Commission Expires October 15, 2013

Dated: May 17, 2013

**NEW HAMPSHIRE INSURANCE COMPANY**

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

Its: Richard C. Woollams, SRP  
Printed Name and Title

Subscribed and sworn to before me  
this 17 day of MAY, 2013.

Vincent J Patalano

Notary Public

VINCENT J PATALANO

Printed name

OCTOBER 15, 2013

Date commission expires

VINCENT J. PATALANO  
Notary Public, State of New York  
No. 31-4987423  
Qualified in New York County  
Commission Expires October 15, 2013

Dated: June 10, 2013

**MAINE OFFICE OF THE ATTORNEY  
GENERAL**

[Signature]

Jonathan R. Bolton  
Assistant Attorney General

Effective  
Date: \_\_\_\_\_, 2013

**MAINE BUREAU OF INSURANCE**

[Signature]

Eric A. Cioppa  
Superintendent

Date: June 11, 2013

**MAINE WORKERS' COMPENSATION BOARD**

[Signature]

Paul Sighinolfi  
Executive Director

Exhibit A

Form of Certification

IN RE:

AIU Insurance Company	)	
American Home Assurance Company	)	
Chartis Property and Casualty Company	)	
Commerce and Industry Insurance Company	)	<b>AFFIDAVIT OF</b>
Granite State Insurance Company	)	<b>CORPORATE OFFICER</b>
Illinois National Insurance Company	)	
Insurance Company of the State of Pennsylvania	)	
National Union Fire Insurance Company of	)	Docket No. INS-10-240
Pittsburgh, Pa.	)	
New Hampshire Insurance Company	)	

The undersigned, being duly sworn, says:

1. Terms used but not defined in this affidavit shall have the meanings given them in the Consent Agreement entered into between the above Companies, the Superintendent, the Board and the Office of the Maine Attorney General under Bureau docket number INS-10-240, as amended by the First Amendment to Consent Agreement (the "Amended Consent Agreement").
2. I have read and understand the Amended Consent Agreement .
3. I understand that the Board and Bureau may rely on the truthfulness of the information contained in and materials attached to this affidavit and that the truthfulness of this information is material to the ability of the Superintendent and the Board to evaluate the Companies' compliance with the Amended Consent Agreement.
4. I have read the materials attached to this affidavit. They accurately and completely summarize the information contained therein, as required by paragraph 19 of the Amended Consent Agreement.
5. I hold the position identified below and have obtained all necessary authority from each of the Companies to give this affidavit on its behalf in connection with the proceedings undertaken as Bureau Docket No. INS-10-240.

\_\_\_\_\_  
(name typed or printed)

\_\_\_\_\_  
(position typed or printed)

\_\_\_\_\_  
(company name typed or printed)

**Acknowledgement**

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

Personally appeared before me on \_\_\_\_\_, 2013, the above named \_\_\_\_\_ and, being duly sworn, affirmed that this affidavit is based upon his or her personal knowledge and is true and correct.



Before me,

[seal]

\_\_\_\_\_  
Notary Public/Attorney-at-Law

Printed Name: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_