

STATE OF MAINE  
BUREAU OF INSURANCE  
DOCKET NO. INS-19-

IN RE: Proteus Captives, LLC

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CONSENT AGREEMENT  
FOR CONDITIONAL  
LICENSURE

Proteus Captives, LLC (“PC”), the Maine Superintendent of Insurance, and the Maine Office of the Attorney General hereby enter into this Consent Agreement pursuant to 10 M.R.S. § 8003(5)(B) to resolve, without an adjudicatory proceeding, issues arising out of PC’s application for licensure by the Superintendent as a pure captive insurance company (the “Application”).

STIPULATIONS

PC is applying for authority to establish and operate a pure captive insurance company in the State of Maine pursuant to the Captive Insurance Act, 24-A M.R.S. Chapter 83 (the “Act”).

The Superintendent is the official charged with administering and enforcing Maine’s insurance laws, including the Act.

In its Application, PC requests authority to provide <<confidential information redacted>> insurance.

The Superintendent has determined that PC has complied with the requirements of the Act. Accordingly, upon execution of this Consent Agreement, the Superintendent shall issue PC a captive insurance company license to establish and operate a pure captive insurance company, subject to the conditions stated in the Covenants set forth below.

## COVENANTS

The parties agree to the following:

- A. The initial cash deposit to PC shall be no less than <<confidential information redacted>>;
- B. The initial surplus position maintained by PC shall be no less than <<confidential information redacted>>;
- C. The assumption of <<confidential information redacted>> insurance risk cannot commence prior to the capitalization of PC described in Covenants A and B, above;
- D. <<confidential information redacted>>;
- E. PC will provide <<confidential information redacted>> claim loss reports to the Superintendent until instructed otherwise, in a format prescribed by the Superintendent;
- F. PC will provide <<confidential information redacted>> statements to the Superintendent until instructed otherwise, produced by a qualified financial institution and setting forth all balances for accounts owned by PC;
- G. PC will provide annual financial statements to the Superintendent. The annual financial statements will be prepared in conformance with Generally Accepted Accounting Principles adopted by the U.S. Securities and Exchange Commission and will be audited by a certified public accountant acceptable to the Superintendent;
- H. PC will obtain the Superintendent's prior authorization for any PC dividend payment, PC surplus distribution, or PC distribution which is not a claim payment or a claim-related expense;
- I. PC will at all times comply with the requirements for operation as a pure captive insurance company as defined in 24-A M.R.S. §6701(11);
- J. PC must seek prior authorization from the Superintendent for the addition of any new liability not included at inception;
- K. PC shall file final executed copies of <<confidential information redacted>>, the bylaws, and the charter, which shall all be filed in a form acceptable to the Superintendent on or before June 30, 2019;
- L. The Superintendent agrees to issue a captive insurance company license to PC, and PC agrees that the Superintendent has the discretion to revoke or suspend its captive insurance company license, or place PC on probation, if PC fails to comply with any obligations under this Consent Agreement; and
- M. A formal hearing in this matter is waived and no appeal will be taken.

MISCELLANEOUS

1. PC understands and acknowledges that this Consent Agreement is a public record within the meaning of 1 M.R.S.A. §402 and will be available for public inspection and copying as provided for by 1 M.R.S.A. §408, except to the extent that it discloses information specifically deemed confidential under the Maine Captive Insurance Act.
  
2. It is understood by the parties to this Consent Agreement that nothing herein shall affect any rights or interests that any person not a party to this Consent Agreement may possess.

April 22, 2019

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David Critchfield, Manager  
Proteus Captives, LLC

Subscribed to before me this 22<sup>nd</sup> day of April, 2019.

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Deborah Dickinson Milite  
Notary Public

My Commission Expires: January 30, 2024

April 22, 2019

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Eric A. Cioppa  
Superintendent

April 22, 2019

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Thomas Sturtevant  
Assistant Attorney General