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Montana State Auditor  
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Attorney for the Department of Insurance

**BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE  
OFFICE OF THE STATE AUDITOR  
STATE OF MONTANA**

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IN THE MATTER OF	)	CASE NO. INS-2011-2
	)	
THE TRAVELERS INDEMNITY	)	<b>CONSENT AGREEMENT AND</b>
COMPANY, INC., a Connecticut	)	<b>FINAL ORDER</b>
Corporation,	)	
	)	
Respondent.	)	

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This Consent Agreement and Final Order (Agreement) is entered into by the office of the Commissioner of Securities and Insurance, Montana State Auditor (CSI), acting pursuant to the authority of the Montana Insurance Code, Mont. Code Ann. § 33-1-101, *et seq.* (Insurance Code), and The Travelers Indemnity Company, Inc. (Respondent).

**RECITALS**

WHEREAS, the CSI received a referral from the National Insurance Crime Bureau. In the referral, the Respondent alleged that one of its insureds committed insurance fraud by filing a claim with exaggerated injuries;

WHEREAS, on several occasions, the CSI attempted to contact the Respondent by telephone and certified mail instructing the Respondent to provide information relevant to the fraud referral;

WHEREAS, the Respondent did not respond to these messages nor provide the materials requested;

WHEREAS, the CSI alleged that the Respondent violated Mont. Code Ann. § 33-1-315 by failing to answer and procure records, documents, or other evidence requested by the Commissioner or the Commissioner's designee; and

WHEREAS, the CSI and the Respondent agree that the best interests of the public would be served by entering into this Agreement;

NOW, THEREFORE, in consideration of the mutual undertakings contained in this Agreement, the CSI and the Respondent hereby agree to settle this matter pursuant to the following terms and conditions:

**STIPULATIONS AND CONSENTS**

I. Without admitting or denying any of the CSI's allegations, the Respondent stipulates and consents to the following:

A. Within ten days from the execution of this Agreement, the Respondent shall pay a \$2,500.00 fine to the state of Montana. The fine should be made payable to the "State of Montana" and sent to the CSI, c/o Jameson C. Walker, Attorney, 840 Helena Avenue, Helena, MT 59601.

B. The Respondent shall timely answer the CSI's future requests for information and shall implement procedures to ensure compliance with Mont. Code Ann. § 33-1-315.

C. The Respondent shall comply with the terms and conditions of this Agreement, the Insurance Code, and all other regulations of the state of Montana.

D. The Respondent fully and forever releases and discharges the Commissioner of Securities and Insurance (Commissioner), the CSI, and all of the CSI's employees and agents from any and all actions, claims, causes of action, demands, or expenses for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of this Agreement.

E. The Respondent specifically and affirmatively waives a contested case hearing and all rights to appeal under the Montana Administrative Procedure Act, Mont. Code Ann. § 2-4-101, *et seq.*, and elects to resolve this matter on the terms and conditions set forth herein.

II. All parties to this Agreement stipulate and consent as follows:

A. The Commissioner and the CSI have jurisdiction over the subject matter of the above-entitled proceeding.

B. Under authority of the Insurance Code, the CSI hereby agrees that it will not initiate any civil or administrative action against the Respondent regarding the allegations contained in this action.

C. This Agreement is entered without adjudication of any issue, law or fact. It is entered into solely for the purpose of resolving the CSI's allegations and is not intended to be used for any other purpose. For any person or entity not a party to this Agreement, this Agreement does not limit or create any private rights or remedies against the Respondent including limit or create liability of Respondent, or limit or create defenses of Respondent, to any claims.

D. The applicable statute of limitation, Mont. Code Ann. § 33-1-318, is tolled for two years from the date of execution of this Agreement with regard to the allegations set forth above. In the event Respondent violates the terms of this Agreement at any time during the two-year tolling period, the CSI reserves the right to seek additional fines.

E. This Agreement constitutes the entire agreement between the parties and no other promises or agreements, either express or implied, have been made by the CSI or by any member, officer, agent or representative of the CSI to induce Respondent to enter into this Agreement.

F. This Agreement may not be modified orally, and any subsequent modifications to this Agreement must be mutually agreed upon in writing to be effective.

G. This Agreement shall be incorporated into and made a part of the attached Final Order issued by the Commissioner herein.

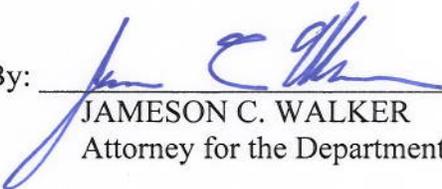
H. This Agreement shall be effective upon signing of the Final Order.

I. The Agreement is a public record under Montana law and as such may not be sealed or otherwise withheld from the public.

DATED this 26<sup>th</sup> day of April, 2011

**INSURANCE DEPARTMENT**

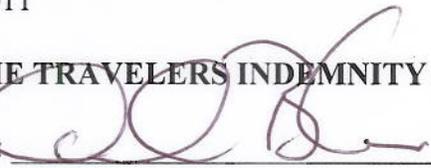
By: \_\_\_\_\_

  
JAMESON C. WALKER

Attorney for the Department of Insurance

DATED this 18<sup>th</sup> day of April, 2011

THE TRAVELERS INDEMNITY COMPANY

By: 

Its: SVP, Chief Compliance Officer

**FINAL ORDER**

Pursuant to the authority vested by Mont. Code Ann. § 2-4-603 and § 33-1-101, *et seq.*,  
and upon review of the foregoing Consent Agreement and good cause appearing,

IT IS HEREBY ORDERED that the foregoing Consent Agreement between the CSI and  
Respondent Travelers Indemnity Company, Inc. is adopted as if set forth fully herein.

DATED this 26<sup>th</sup> day of April, 2011.

MONICA J. LINDEEN  
Commissioner of Securities and Insurance  
Montana State Auditor

By: Robert Moon  
ROBERT MOON  
Deputy Insurance Commissioner

cc. Jameson C. Walker  
Travelers Indemnity Company