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## **Insurance Commissioner Announces Court Approval of Liquidation of Bedivere Insurance Company; Assures Policyholders Claims Will Be Paid by State Guaranty Funds Pursuant to State Law**

**Harrisburg, PA** - Today, Insurance Commissioner Jessica Altman announced that the Commonwealth Court approved a petition to liquidate Bedivere Insurance Company (Bedivere), formerly One Beacon Insurance Company. Through the liquidation process, policyholder claims will be paid through the state guaranty association system, subject to statutory limits and conditions.

"Bedivere, a domestic stock property and casualty company based in Pennsylvania, has consented to the liquidation process and the Commonwealth Court has approved the liquidation, recognizing that the company's financial liabilities have exceeded their assets," said Altman. "PID's responsibility now is to take the necessary steps to orderly liquidate the company. The court's liquidation order triggers the state guaranty associations to pay policyholder claims to the maximum levels allowed by law."

Commissioner Altman said the company wrote policies in all 50 states plus the District of Columbia, Puerto Rico, the U.S. Virgin Islands, American Samoa, and Guam, although it stopped writing most new or renewal business in 2010. Bedivere wrote workers compensation, commercial auto, commercial liability, products liability and personal auto coverage policies.

Bedivere, known then as OneBeacon, entered runoff in 2013. OneBeacon consolidated its runoff business into four companies, including One Beacon Insurance Company, One Beacon America Insurance Company, Employers Fire Insurance Company, and Potomac Insurance Company. In 2014, OneBeacon's runoff companies were acquired by Trebuchet, a wholly owned subsidiary of Armour Group Holdings Limited, and the four companies were renamed Bedivere Insurance Company, Lamorak Insurance Company, Employers Fire Insurance Company, and Potomac Insurance Company. In connection with the acquisition, the Insurance Commissioner at the time issued an Order placing certain restrictions on the company's operations. In 2020, Lamorak, Employers Fire, and Potomac Insurance Companies merged with and into Bedivere Insurance Company. During the continued run-off, Bedivere's assets and liabilities reached the point that continued run-off under the supervision of the Commissioner is no longer feasible.

This liquidation order triggers the following process:

- The Department, as liquidator, takes over, secures the company and marshals all available assets to pay policyholder claims.
- Working remotely, the liquidator analyzes the company's most recent financial data to understand the full scope of company's financial hole.
- Policies (bonds) terminate within 30 days of liquidation order.
- Policyholders with open claims will receive notice fully explaining the triggering of the guaranty funds and the process that will ensue shortly.
- Creditors are also paid in order of priority and follow a proof of claims process.
- The liquidator distributes any surplus funds to the shareholders.
- The company is then formally dissolved.

"Policyholder claims will continue to be covered by the state guaranty association system pursuant to law, and policy claims will be paid subject to the applicable state guaranty association coverage limit and conditions. Policyholders should continue to file claims as they have been in the past," Commissioner Altman said. "State guaranty associations were created to protect state residents who are policyholders of an insolvent company that has gone out of business. In each state, other insurance companies licensed in that state pay into a guaranty fund, and that money is used to cover claims when a company becomes insolvent and is liquidated."

Consumers can also contact the Bureau of Liquidation Administration at [www.insurance.pa.gov](http://www.insurance.pa.gov), [ra-in-claims@pa.gov](mailto:ra-in-claims@pa.gov) or 1-717-787-7823.

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