

**Paramount Insurance Company**  
**Frequently Asked Questions**  
**January 2019**

Question	Response
What is the current status of Paramount Insurance Company?	On January 9, 2019, the Circuit Court for Baltimore City (Case No. 24-C-18-005120) found that Paramount Insurance Company ("Paramount") was insolvent and placed Paramount into liquidation. The Court named Risk & Regulatory Consulting, LLC (the "Receiver" or "RRC") as Receiver for Paramount.
What does "liquidation" mean?	<p>An insurance company is ordered into liquidation when it can no longer meet its financial obligations, including the payment of claims arising under policies of insurance that it issued. Paramount is insolvent and has insufficient assets to pay its claims and other financial obligations as they become due in the normal course of business.</p> <p>A state liquidation proceeding for insurance companies is similar in many ways to a federal bankruptcy proceeding for other types of companies. When a company is liquidated, the receiver collects the remaining assets of the company and verifies the amount of the unpaid liabilities. The Court will approve the distribution of the assets of Paramount according to Maryland statutes. The liquidation process is very complex and is expected to take years to complete.</p>
What is the status of my policy with Paramount Insurance Company?	Pursuant to the Liquidation Order, all Paramount policies of insurance which are in force as of the date of the Order are canceled effective at 11:59 p.m. (Eastern Time), February 8, 2019. Insurance policies issued by Paramount with normal expiration dates prior to February 8, 2019, or which are terminated by insureds, canceled for non-payment of premium, or lawfully canceled by the Receiver or insurer before such date, shall stand canceled as of the earlier date.
How can I find a new insurance company?	The agent that sold you the current Paramount policy may be able to place coverage for you with another insurance company. You may also choose to contact a different agent, check with other local insurance agencies or look on the Internet. For more information regarding automobile insurance in Maryland, see the Maryland Insurance Administration's website at: <a href="https://insurance.maryland.gov/Consumer/Pages/AutomobileInsurance.aspx">https://insurance.maryland.gov/Consumer/Pages/AutomobileInsurance.aspx</a> For more information regarding automobile insurance in the District of Columbia, see the DC Department of Insurance, Securities and Banking's website at: <a href="https://disb.dc.gov/">https://disb.dc.gov/</a>
Should I continue to pay the premiums for Paramount Insurance Company policy?	You are required to continue to pay the premiums as they become due, until you secure coverage with another insurance company. You should pay the premiums in the same manner as you did prior to the entry of the Order of Liquidation for Paramount Insurance Company. You should stop paying premiums to Paramount after you secure replacement coverage with another insurance company or as of February 8, 2019, whichever date comes first.
What is a guaranty association?	The Maryland Property & Casualty Insurance Guaranty Corporation ("PCIGC") and the District of Columbia Insurance Guaranty Association ("DCIGA") provide coverage for certain types of insurance losses when a company is declared insolvent and placed into liquidation. The coverage provided by PCIGC and DCIGA is subject to statutory limitations and is never in excess of the policy limits of the insolvent insurer.
Since my company has been placed into liquidation, who will pay my claims?	Valid and substantiated policyholder claims incurred prior to the termination of the policy will be paid, where covered, by the PCIGC and DCIGA, subject to policy limits and the statutory limits of the guaranty association. The Receiver of Paramount will forward your claim to the guaranty association. Claims which are not covered by a guaranty association or portions of

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	<p>claims which exceed the statutory obligations of the guaranty association become claims against Paramount in the liquidation and may be paid at some time in the future to the extent funds are available. See below for information on how to file a proof-of-claim in the Paramount Liquidation. Please note, if you are seeking payment on a liability claim, you may be required to exhaust existing coverage from other insurance policies, including uninsured motorist coverage, before guaranty association coverage will apply.</p>
<p>What benefits do PCIGC and DCIGA provide?</p>	<p>Subject to statutory limitations, PCIGC and DCIGA provide three policyholder benefits:</p> <ol style="list-style-type: none"> <li>1.) Pays unearned premium claims owed by Paramount.</li> <li>2.) Pays automobile accident claims of Paramount which cannot be paid by any other insurer.</li> <li>3.) Defends lawsuits against Paramount's policyholders.</li> </ol> <p>Please note- All claims with PCIGC are subject to a \$100 deductible over and above any deductible identified in the Paramount policy. DCIGA unearned premium claims are subject to a \$100 deductible and \$10,000 limit.</p>
<p>When should I contact the guaranty association?</p>	<p>The Receiver is in the process of transferring claim information to PCIGC and DCIGA. The guaranty associations will not be able to begin paying Paramount claims until the claim information has been loaded in the guaranty association's claim systems.</p>
<p>How do I contact the guaranty association?</p>	<p>Contact information for PCIGC and DCIGA is provided below:</p> <p>PCIGC  Phone- <a href="tel:(410)296-1620">(410) 296-1620</a>  Address- Property &amp; Casualty Guaranty Association, ATTN: Paramount, 305 Washington Avenue, Suite 600, Towson, MD 21204  Website: <a href="http://pcigcweb.com/">http://pcigcweb.com/</a></p> <p>DCIGA  Phone- <a href="tel:(617)227-7020">(617) 227-7020</a>  Address- c/o Guaranty Fund Management Services, ATTN: Paramount, One Bowdoin Square, Boston, MA 02114-2916  Website: <a href="http://gfms.org">http://gfms.org</a></p>
<p>Can I file a new claim against Paramount Insurance Company?</p>	<p>Yes, continue to report a claim or loss to Paramount Insurance Company at: (410) 944-6882 (Baltimore area) or (240) 533-3001 (DC area). You may also fax us at (410) 505-1717.</p>
<p>What is the deadline for filing a claim?</p>	<p>There is currently no deadline for filing a claim in the Paramount Liquidation. However, you still may need to act promptly in order to make a claim. First, any claim filing deadline set forth in your insurance contract or in accordance with the law, such a statute of limitations, will still apply.</p> <p>Also, the law applicable to DCIGA and PCIGC requires all claims to be filed before the earlier of (1) the court established deadline for filing a proof of claim in the Paramount Liquidation, or (2) eighteen months. For this reason, it is important to notify Paramount Insurance right away if you have a claim.</p> <p>Paramount Insurance Company continues to receive claims in the normal course of business. When a deadline is established, the Receiver will send notices and proof of claim forms, and will post the information on the</p>

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	Paramount web site.
Can I file a lawsuit against Paramount Insurance Company?	No. The Liquidation Order enjoins all persons from filing any action in court against Paramount. See paragraph 11 of the Liquidation Order. All claims against Paramount must be filed in the receivership in the normal course of business or on a proof of claim form. Proof of claim forms will be mailed at a later date. Lawsuits against a Paramount insured are stayed for sixty days from the date of the liquidation order (January 9, 2019). See paragraph 12 of the Liquidation Order.
Can I add a driver to my existing policy?	No changes can be made to any policies issued by Paramount which will increase coverage. If you need to add a driver or increase limits of your policy you should secure replacement coverage from another insurer.
Can I make changes to my policy to increase the amount of coverage?	No. No changes can be made to any policies issued by Paramount which will increase coverage. If you need to add a driver or increase limits of your policy you should secure replacement coverage from another insurer.
I paid off my vehicle, how do I update the lienholder information for my policy?	Contact your agent to have lienholder, address or other policy information updated.
What if I need information about my bill or have questions about my bill?	If you make payments to a premium finance company, you should call the premium finance company to resolve any questions.  If you pay Paramount Insurance Company directly call us at (410) 944-6882).
How can I find out more information regarding the Liquidation of Paramount Insurance Company?	The Receiver will continue to post information to <a href="https://www.paramountinsurancemd.com">https://www.paramountinsurancemd.com</a> as more information becomes available.
How can I contact the Receiver of Paramount Insurance Company?	If you have questions for the Receiver regarding the Liquidation of Paramount Insurance Company you may contact him at receiver@parainsure.com or by phone at: (888-616-0540).
If I received a non-renewal letter that provides coverage past February 8, 2019, does that mean my policy is in force until that later date?	No. The cancellation notice supersedes any non-renewal letter with coverage dates that terminate after February 8, 2019. All policies are terminating as of 11:59pm on February 8, 2019.
If I received a non-renewal letter that cancels my coverage before February 8, 2019 and a cancellation letter that ends my coverage on February 8, 2019 does that mean I am covered until February 8, 2019?	No. Any policies non-renewed prior to February 8, 2019 are canceled as of the date on the non-renewal letter.
Background- Rehabilitation	Paramount was ordered into Rehabilitation on September 13, 2018 by the Circuit Court of Baltimore City. During the receiver investigated the financial condition of Paramount.