

IN THE DEPARTMENT OF INSURANCE, FINANCIAL
INSTITUTIONS AND PROFESSIONAL REGISTRATION
STATE OF MISSOURI

In Re:

QBE INSURANCE CORPORATION
(NAIC #0796-39217)

)
) Market Conduct Investigation
) Number 13155-39217-PC
)

ORDER OF THE DIRECTOR

NOW, on this 20TH day of AUGUST, 2014, Director John M. Huff, after consideration and review of the market conduct investigation of QBE Insurance Corporation (NAIC #0796-39217) (hereafter referred to as "QBE") investigation number 13155-39217-PC, conducted by the Division of Insurance Market Regulation pursuant to §374.190¹ and the Stipulation of Settlement ("Stipulation"), does hereby issue the following orders:

This order, issued pursuant to §374.046.15, RSMo (Cum. Supp. 2013) and §374.280 is in the public interest.

IT IS THEREFORE ORDERED that QBE and the Division of Insurance Market Regulation having agreed to the Stipulation, the Director does hereby approve and agree to the Stipulation.

IT IS FURTHER ORDERED that QBE shall not engage in any of the violations of law and regulations set forth in the Stipulation and shall implement procedures to place QBE in full compliance with the requirements in the Stipulation and the statutes and regulations of the State of Missouri and to maintain those corrective actions at all times.


IT IS FURTHER ORDERED that QBE shall pay, and the Department of Insurance, Financial Institutions and Professional Registration, State of Missouri, shall accept,

¹ All references, unless otherwise noted, are to Missouri Revised Statutes 2000, as amended.

the Voluntary Forfeiture of \$2,000, payable to the Missouri State School Fund.

IT IS SO ORDERED.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of my office in Jefferson City, Missouri, this 20th day of AUGUST, 2014.


John M. Huff
Director



IN THE DEPARTMENT OF INSURANCE, FINANCIAL
INSTITUTIONS AND PROFESSIONAL REGISTRATION
STATE OF MISSOURI

In Re:)
)
QBE INSURANCE CORPORATION) Market Conduct Investigation #13155-39217-PC
(NAIC # 0796-39217))
)

STIPULATION OF SETTLEMENT
AND VOLUNTARY FORFEITURE

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter "the Division"), and QBE Insurance Corporation (NAIC #0796-39217) (hereinafter referred to as "QBE"), as follows:

WHEREAS, the Division is a unit of the Missouri Department of Insurance, Financial Institutions and Professional Registration (hereinafter, "the Department"), an agency of the State of Missouri, created and established for administering and enforcing all laws in relation to insurance companies doing business in the State in Missouri; and

WHEREAS, QBE has been granted a certificate of authority to transact the business of insurance in the State of Missouri; and

WHEREAS, the Division conducted a Market Conduct Investigation of QBE; and

WHEREAS, the Market Conduct Investigation revealed that:

1. In two instances, QBE used unfiled rates on workers' compensation insurance policies with Missouri premium or exposure in violation of §287.947¹;

WHEREAS, the Division and QBE have agreed to resolve the issues raised in the Market Conduct Investigation as follows:

A. **Scope of Agreement.** This Stipulation of Settlement and Voluntary Forfeiture embodies the entire agreement and understanding of the signatories with respect to the subject matter contained herein. The signatories hereby declare and represent that no promise, inducement or agreement not herein expressed has been made, and acknowledge that the terms and conditions of

¹ All references, unless otherwise noted, are to Revised Statutes of Missouri 2000, as amended.

this agreement are contractual and not a mere recital.

B. **Certification.** QBE, by entering into this Stipulation of Settlement and Voluntary Forfeiture, hereby affirms that no other QBE company has issued a workers' compensation insurance policy using consent-to-rate in Missouri.

C. **Remedial Action.** QBE agrees to take remedial action bringing it into compliance with the statutes and regulations of Missouri and agrees to maintain those remedial actions at all times, to reasonably assure that the errors noted in the above-referenced market conduct investigation do not recur. Such remedial actions shall include, but are not limited to, the following:

1. QBE agrees to file all rates used for workers' compensation insurance policies with Missouri premium or exposure within 30 days of the effective date of the policy.

D. **Voluntary Forfeiture.** QBE agrees, voluntarily and knowingly, to surrender and forfeit the sum of \$2,000, such sum payable to the Missouri State School Fund, in accordance with §374.280.

E. **Other Penalties.** The Division agrees that it will not seek penalties against QBE, other than those agreed to in this Stipulation, for the conduct found in Market Conduct Investigations 13155-39217-PC.

F. **Waivers.** QBE, after being advised by legal counsel, does hereby voluntarily and knowingly waive any and all rights for procedural requirements, including notice and an opportunity for a hearing, and review or appeal by any trial or appellate court, which may have otherwise applied to the above referenced Market Conduct Investigation.

G. **Changes.** No changes to this stipulation shall be effective unless made in writing and agreed to by all signatories to the stipulation.

H. **Governing Law.** This Stipulation of Settlement and Voluntary Forfeiture shall be governed and construed in accordance with the laws of the State of Missouri.

I. **Authority.** The signatories below represent, acknowledge and warrant that they are authorized to sign this Stipulation of Settlement and Voluntary Forfeiture.

J. **Effect of Stipulation.** This Stipulation of Settlement and Voluntary Forfeiture shall

not become effective until entry of a Final Order by the Director of the Department of Insurance, Financial Institutions and Professional Registration (hereinafter the "Director") approving this Stipulation.

K. **Request for an Order.** The signatories below request that the Director issue an Order approving this Stipulation of Settlement and Voluntary Forfeiture and ordering the relief agreed to in the Stipulation, and consent to the issuance of such Order.

DATED: 8-19-14


Stewart Freilich
Senior Regulatory Affairs Counsel
Division of Insurance Market Regulation

DATED: 8-11-14


President
QBE Insurance Corporation

RECEIVED
AUG 13 2014
MO. DEPT. OF INSURANCE,
FINANCIAL INSTITUTIONS &
PROFESSIONAL REGISTRATION