

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

*In Re:* )  
 )  
METROPOLITAN PROPERTY AND ) **Market Conduct Investigation No. 237205**  
CASUALTY INSURANCE COMPANY )  
(NAIC #26298) )

**ORDER OF THE DIRECTOR**

NOW, on this 2nd day of August, 2016, Director, John M. Huff, after consideration and review of the market conduct investigation of Metropolitan Property and Casualty Insurance Company (NAIC #26298) (hereafter referred to as "Metropolitan") investigation number 237205, conducted by the Division of Insurance Market Regulation pursuant to §374.190<sup>1</sup> and the Stipulation of Settlement and Voluntary Forfeiture ("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 Metropolitan 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 Metropolitan shall not engage in any of the violations of law and regulations set forth in the Stipulation and shall implement procedures to place Metropolitan 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 Metropolitan shall pay, and the Department of Insurance, Financial Institutions and Professional Registration, State of Missouri, shall accept, the Voluntary Forfeiture of \$1,000, 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 2nd day of August, 2016.



John M. Huff  
Director



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

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METROPOLITAN PROPERTY AND ) **Market Conduct Investigation No. 237205**  
CASUALTY INSURANCE COMPANY )  
(NAIC #26298) )

**STIPULATION OF SETTLEMENT AND VOLUNTARY FORFEITURE**

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter “the Division”) and Metropolitan Property and Casualty Insurance Company (NAIC #26298) (hereinafter referred to as “Metropolitan Property”), 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**, Metropolitan Property 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 Metropolitan Property; and

**WHEREAS**, based upon the Market Conduct Investigation the Division alleges that:

1. Metropolitan Property accepted and processed a policy application that failed to identify an individual producer in violation of 20 CSR 100-8.040.
2. By accepting and processing the policy application, Metropolitan Property materially aided in the sale and solicitation of insurance by an unlicensed insurance producer in violation of §375.014 and §374.046.

WHEREAS, Metropolitan Property asserts that it took its actions in good faith and without intent to violate the law.

WHEREAS, the Division and Metropolitan Property 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 this agreement are contractual and not a mere recital.

B. **Remedial Action.** Metropolitan Property agrees to take remedial action bringing it into compliance with the statutes and regulations of Missouri and agrees to maintain such remedial actions at all times, to reasonably assure that the errors noted in the Market Conduct Investigation do not recur. Such remedial actions shall include, but not be limited to, the following:

1. Metropolitan Property agrees to utilize only licensed insurance producers to sell, solicit or negotiate insurance in this state.

2. Metropolitan Property agrees to identify individual insurance producers on its insurance applications.

3. Metropolitan Property shall maintain documentation demonstrating that insurance producers are licensed in Missouri before authorizing the producer to sell, solicit or negotiate insurance on their behalf in this state.

4. Metropolitan Property agrees to review its practices and procedures in verifying they are utilizing Missouri licensed insurance producers when constructing business in this state. If no procedure is currently in place at this time, Metropolitan Property agrees to implement a procedure to ensure all insurance producers authorized to sell, solicit or negotiate insurance on their behalf in this state are properly licensed.

C. **Compliance.** Metropolitan Property agrees to file documentation with the Division within 90 days of the entry of a final order of all remedial action taken to implement compliance with the terms of this stipulation.

D. **Voluntary Forfeiture.** Metropolitan Property agrees, voluntarily and knowingly, to surrender and forfeit the sum of \$1,000, with such sum payable to the Missouri State School Fund in accordance with §374.280.

E. **Waivers.** Metropolitan Property, 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.

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

G. **Governing Law.** This Stipulation shall be governed and construed in accordance with the laws of the State of Missouri.

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

I. **Effect of Stipulation.** This Stipulation shall become effective only upon entry of a Final Order by the Director of the Department of Insurance, Financial Institutions and

Professional Registration (hereinafter the "Director") approving this Stipulation.

I. **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: 8-1-2016



Angela Nelson  
Director, Division of Insurance  
Market Regulation

DATED: 8/1/2016



Stewart Freilich  
Senior Regulatory Affairs Counsel  
Division of Insurance Market Regulation

DATED: July 22, 2016



Paul Gavin  
Senior Vice President  
Metropolitan Property and Casualty  
Insurance Company