



**DEPARTMENT OF INSURANCE, FINANCIAL  
INSTITUTIONS AND PROFESSIONAL REGISTRATION**

P.O. Box 690, Jefferson City, Mo. 65102-0690

In re: )  
 ) Investigation No. 13001-23612-PC  
Midwest Employers Casualty Company )  
(NAIC #23612) )

**ORDER OF THE DIRECTOR**

NOW, on this 11<sup>TH</sup> day of OCTOBER, 2013, Director John M. Huff, after consideration and review of the market conduct investigation of Midwest Employers Casualty Company (NAIC #23612), (hereafter referred to as "the Company") investigation number 13001-23612--PC, conducted by the Division of Insurance Market Regulation pursuant to §374.190 RSMo, and the Stipulation of Settlement ("Stipulation"), does hereby issue the following orders:

This order, issued pursuant to §374.046.15, RSMo (Cum. Supp. 2012) and §374.280 RSMo, is in the public interest.

IT IS THEREFORE ORDERED that, the Company 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 the Company shall implement procedures to place the Company 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 SO ORDERED.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of my office in Jefferson City, Missouri, this 11<sup>TH</sup> day of OCTOBER, 2013.

  
John M. Huff  
Director



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FINANCIAL INSTITUTIONS &  
PROFESSIONAL REGISTRATION

**DEPARTMENT OF INSURANCE, FINANCIAL  
INSTITUTIONS AND PROFESSIONAL REGISTRATION**

P.O. Box 690, Jefferson City, Mo. 65102-0690

TO: Midwest Employers Casualty Company  
14755 North Outer Forty Drive, Suite 300  
Chesterfield, MO 63017

RE: Midwest Employers Casualty Company (NAIC #23612)  
Missouri Market Conduct Investigation #13001-23612-PC

**STIPULATION OF SETTLEMENT**

It is hereby stipulated and agreed by the Division of Market Regulation (hereafter referred to as the "Division") of the Missouri Department of Insurance, Financial Institutions and Professional Registration, and Midwest Employers Casualty Company (NAIC # 23612), (hereafter referred to as "Midwest Employers Casualty") as follows:

WHEREAS, the Division is a part of the Missouri Department of Insurance, Financial Institutions and Professional Registration (hereafter referred to as "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 of Missouri; and

WHEREAS, Midwest Employers Casualty 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 Midwest Employers Casualty and prepared report number 13001-23612-PC; and

WHEREAS, the report of the Market Conduct Investigation revealed that:

1. Midwest Employers Casualty reported excess workers compensation business on line 34 of the Missouri state page of the financial annual statement for 2011 rather than on line 17.3 as required by §375.891<sup>1</sup> and 20 CSR 200-1.037.

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

WHEREAS, Midwest Employers Casualty neither admits nor denies that it reported excess workers compensation business on line 34 of the Missouri state page rather than on line 17.3 contrary to the requirements of §375.891 and 20 CSR 200-1.037.

WHEREAS, Midwest Employers Casualty hereby agrees to, the following:

1. Midwest Employers Casualty agrees to report Missouri excess workers' compensation business on line 17.3 of the Missouri state page in its financial annual statements on a going forward basis.

WHEREAS, Midwest Employers Casualty, 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, which may have otherwise applied to the above referenced Market Conduct Investigation; and

WHEREAS, Midwest Employers Casualty hereby agrees to the imposition of the ORDER of the Director.

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

NOW, THEREFORE, in lieu of the institution by the Director of any other action related to market conduct investigation 13001-23612-PC and in full settlement of all issues raised in market conduct investigation 13001-23612-PC, Midwest Employers Casualty does hereby voluntarily and knowingly waive all rights to any hearing, consents to the Order of the Director, and consents to take the actions required by this stipulation.

DATED: 10/10/2013

  
\_\_\_\_\_  
Stewart Freilich  
Senior Regulatory Affairs Counsel

DATED: October 7, 2013

  
\_\_\_\_\_  
President  
Midwest Employers Casualty Company