

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

In Re:)
)
OLD RELIABLE CASUALTY) **Market Conduct Examination No. 1304-11-TGT**
COMPANY (NAIC #36625))
)
)

ORDER OF THE DIRECTOR

NOW, on this 2nd day of FEBRUARY, 2016, Director John M. Huff, after consideration and review of the market conduct examination of Old Reliable Casualty Company (NAIC #36625) (hereinafter "Old Reliable") conducted by the Division of Insurance Market Regulation (hereinafter the "Division") pursuant to §374.205 RSMo 2000 and the Stipulation of Settlement and Voluntary Forfeiture ("Stipulation"), does hereby issue the following orders.

This order, issued pursuant to §374.205.2(5) RSMo 2000, and §§374.280 and §374.046.15. RSMo (Cum. Supp. 2013), is in the public interest.

IT IS THEREFORE ORDERED that Old Reliable and the Division having agreed to the Stipulation, the Director does hereby approve and agree to the Stipulation.

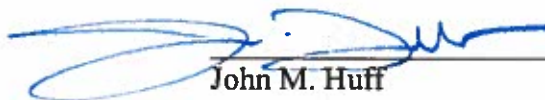
IT IS FURTHER ORDERED that Old Reliable shall not engage in any of the violations of law and regulations set forth in the Stipulation or Corrective Action Plan and shall implement procedures to place Old Reliable in full compliance with the requirements of the Stipulation, the Corrective Action Plan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

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

the Voluntary Forfeiture of \$100,000 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 FEBRUARY, 2016.



John M. Huff
Director



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

In Re:)
)
OLD RELIABLE CASUALTY) Market Conduct Examination No. 1304-11-TGT
COMPANY (NAIC #36625))
)

**STIPULATION OF SETTLEMENT
AND VOLUNTARY FORFEITURE**

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter “the Division”) and Old Reliable Casualty Company (NAIC #36625) (hereinafter referred to as “Old Reliable”), 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, Old Reliable 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 Examination of Old Reliable; and

WHEREAS, based on the Market Conduct Examination, the Division alleges that Old Reliable engaged in certain practices that violated Missouri law.

WHEREAS, the Division and Old Reliable have agreed to resolve the issues raised in the Market Conduct Examination 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. Old Reliable agrees to take remedial action bringing it into compliance with the statutes and regulations of Missouri. Such remedial actions are contained in a Corrective Action Plan (hereinafter "CAP") agreed to by the parties. Old Reliable agrees to implement and maintain the remedial actions contained in the CAP at all times. The actions agreed to in the CAP are permanent and not subject to any sunset provision.

C. Compliance. Old Reliable agrees to file documentation with the Division pursuant to the terms of the CAP to document compliance with the terms of this stipulation and with the terms of the CAP.

D. Ongoing Examination. Old Reliable consents to an ongoing examination to begin on the date this Stipulation is executed by Old Reliable to examine compliance with this Stipulation and with the CAP, and to pay any reasonable fees related to the ongoing examination. The parties agree that the CAP is a confidential work paper of the ongoing examination, subject to the provisions of §374.205.4, RSMo. (2000).

E. Voluntary Forfeiture. Old Reliable agrees, voluntarily and knowingly, to surrender and forfeit the sum of \$100,000, such sum payable to the Missouri State School Fund, in accordance with §374.049 and §374.280 RSMo Supp. 2013.

F. Other Penalties. The Division agrees that it will not seek penalties from Old Reliable, other than those agreed to in this Stipulation, for the conduct found in Market Conduct Examination 1304-11-TGT.

G. Waivers. Old Reliable, 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 Examination.

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

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

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

K. **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.

L. **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: 1/29/16

Angela Nelson
Angela Nelson
Director, Division of Insurance
Market Regulation

DATED: 1/29/16

Stewart Freilich
Stewart Freilich
Senior Regulatory Affairs Counsel
Division of Insurance Market Regulation

DATED: 1/25/16

Tom Myers
President - Tom Myers
Old Reliable Casualty Company

DATED: 1/26/16

Bruce Baty
Bruce Baty
Counsel for Old Reliable Company