



## DEPARTMENT OF COMMERCE & INSURANCE

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

*In Re:*

ENCOMPASS INDEMNITY  
COMPANY (NAIC #15130)

)  
)  
)  
)

Market Conduct Investigation No. 373757  
Market Conduct Examination No. 412425

### ORDER OF THE DIRECTOR

NOW, on this 25th day of November 2025, Director Angela L. Nelson, after consideration and review of the Stipulation of Settlement (hereinafter "Stipulation") entered into by the Division of Insurance Market Regulation (hereinafter "Division") and Encompass Indemnity Company (NAIC #15130) (hereinafter "Encompass"), relating to the market conduct investigation no. 373757 and market conduct examination no. 412425, does hereby issue the following orders:

This order, issued pursuant to §374.046.15,<sup>1</sup> §374.280, and §375.205, is in the public interest.

**IT IS THEREFORE ORDERED** that the Director does hereby approve the Stipulation as agreed to by Encompass and the Division.

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

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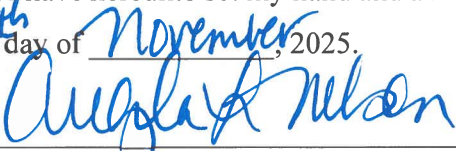
<sup>1</sup> All references, unless otherwise noted, are to Revised Statutes of Missouri 2016.

**IT IS FURTHER ORDERED** that the Director does hereby close investigation no. 373757 and examination no. 412425 pursuant to §374.205 and pursuant to Stipulation as agreed to by Encompass and the Division.

**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 25<sup>th</sup> day of November, 2025.



  
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Angela L. Nelson  
Director

**IN THE DEPARTMENT OF COMMERCE AND INSURANCE  
STATE OF MISSOURI**

***In Re:*** )  
 )  
**ENCOMPASS INDEMNITY COMPANY** )  
**(NAIC # 15130)** )  
 ) **Market Conduct Investigation No. 373757**  
 ) **Market Conduct Examination No. 412425**  
 )

**STIPULATION OF SETTLEMENT**

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter the “Division”), and Encompass Indemnity Company (hereinafter “Encompass”), as follows:

**WHEREAS**, the Division is a unit of the Missouri Department of Commerce and Insurance (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 of Missouri;

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

**WHEREAS**, the Division conducted a market conduct investigation of Encompass, investigation no. 373757;

**WHEREAS**, the Division issued a warrant for a market conduct examination of Encompass, examination no. 412425, and resolves to close the examination pursuant to section 374.205.3(5) and by agreement with Encompass; and

**WHEREAS**, based on the market conduct investigation of Encompass, the Division alleges that:

1. Encompass used two different rating programs for the same form and thereby charged

different rates for like insureds on homeowners insurance policies, in violation of § 379.470(1), RSMo.<sup>1</sup>

2. Encompass applied unfiled rates by calculating a factor between the current rate and indicated rate for each policyholder and used that factor in the premium charged at the time of renewal on homeowners insurance policies, in violation of § 379.321.1 and 20 CSR 500-4.100(1)(B).

A. **Scope of Agreement.** This Stipulation of Settlement (hereinafter “Stipulation”) 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.** Encompass 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. Such remedial actions shall include the following:

1. Encompass agrees not to charge different rates for like insureds on homeowners policies.
2. Encompass agrees, in lieu of only filing a formula to calculate the rate factor, to file all rate factors used in premium calculation in accordance with §§ 379.321, 379.470, and 20 CSR 500-4.100(1)(B).
3. Encompass agrees not to issue any new policies or renewal policies under the current rating program.

C. **Compliance.** Encompass agrees to file documentation pursuant to § 374.190, RSMo 2024 with the Division, in a manner acceptable to the Division, of any remedial action taken

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<sup>1</sup> All statutory references, unless otherwise noted, are to the 2016 Revised Statutes of Missouri.

to implement compliance with the terms of this Stipulation. Encompass agrees to provide such documentation within thirty (30) days of the entry of the Order unless otherwise specified in Section B above.

D. **Non-Admission.** Nothing in this Stipulation shall be construed as an admission by Encompass, this Stipulation being part of a compromise settlement to resolve disputed factual and legal allegations arising out of the above referenced market conduct investigation and examination.

E. **Waivers.** Encompass, after being advised by legal counsel, does hereby voluntarily and knowingly waive any and all rights to 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 market conduct investigation no. 373757 or examination no. 412425.

F. **Amendments.** No amendments to this Stipulation shall be effective unless made in writing and agreed to by authorized representatives of the Division and Encompass.

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, on behalf of the Division and Encompass, respectively.

I. **Counterparts.** This Stipulation may be executed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single document. Execution by facsimile or by electronically transmitted signature shall be fully and legally effective and binding.

J. **Effect of Stipulation.** This Stipulation shall not become effective until entry of an Order by the Director approving this Stipulation.

K. **Request for an Order.** The signatories below request that the Director issue an

Order approving this Stipulation and ordering the relief agreed to in the Stipulation, and consent to the issuance of such Order.

DATED: November 18, 2025



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Teresa Kroll  
Chief Market Conduct Examiner  
Division of Insurance Market Regulation

DATED: 10/21/2025

*Matthew Gough*\_\_\_\_\_

Name: Matthew Gough  
Title: Director Oklahoma State Manager  
Encompass Indemnity Company