

**BEFORE THE COMMISSIONER OF INSURANCE  
OF THE STATE OF KANSAS**

In the Matter of SHELTER GENERAL	)	
INSURANCE COMPANY, SHELTER	)	Docket No. 2979-CO
LIFE INSURANCE COMPANY,	)	Docket No. 2980-CO
and SHELTER MUTUAL	)	Docket No. 2981-CO
INSURANCE COMPANY	)	

**CONSENT ORDER**

Shelter General Insurance Company, Shelter Life Insurance Company and Shelter Mutual Insurance Company (“Shelter Insurance Companies”) wishes to resolve this matter without formal adjudicative proceedings by entering into this consent order. The Commissioner of Insurance (“Commissioner”) hereby makes the following findings of fact, conclusions of law, and order, to-wit:

**Findings of Fact**

1. Records maintained by the Kansas Insurance Department (“KID”) indicate that Shelter Insurance Companies are Kansas admitted, foreign insurance companies with offices located at 1817 W. Broadway, Columbia, Missouri 65218-0001 and are subject to the Kansas statutes regulating the business of insurance.

2. The Commissioner has jurisdiction over the subject matter of this proceeding, and this proceeding is held in the public interest.

3. Mark A. Rowe (“Rowe”) is a non-resident insurance agent licensed by the State of Kansas since July 30, 1999, with a current address of 2206 Salem Drive, Independence, Missouri, 64058.

4. On January 18, 2001, the KID received Producer Information Network (“PIN”) appointment transactions reflecting the certification of Rowe to represent Shelter Insurance Companies effective August 1, 1999.

5. On February 16, 2001, the KID wrote to Shelter Insurance Companies to inquire why they did not complete the appointments of Rowe within the required time.

6. On February 20, 2001, the KID received a letter from Shelter Insurance Companies responding to its inquiry. Their investigation into the matter revealed that the certifications were apparently an oversight by the Marketing Department. It was determined that the oversight apparently occurred during a time period when another individual handling the certifications left on disability leave and the current employee assumed the duties. It appeared the appointments were lost in the shuffle. Shelter Insurance Companies’ records indicated that Rowe had only 23 policies in Kansas producing a premium of \$15,219.43.

7. Rowe was not properly appointed by Shelter Insurance Companies with the KID until January 19, 2001.

### **Conclusions of Law**

8. K.S.A. 40-241i provides, in relevant part:

(a) Any company authorized to transact business in this state may,... appoint such agent as the agent of the company under the license in effect for the agent. The appointment shall be made to the commissioner annually on a form prescribed by the commissioner at the same time the company files its returns under K.S.A. 40-252, and amendments thereto....

9. K.S.A. 40-241i(a) provides, in relevant part:

...[f]ailure of the company to certify an agent shall subject the company to a penalty of not more than \$25 per calendar day from the date the appropriate return was required to the date proper certification is recorded by the insurance department.

10. Based upon the information contained in paragraphs 3 through 7 above, it appears that Shelter Insurance Companies failed to certify Mark A. Rowe as agent of the company at the same time the company filed its returns under K.S.A. 40-252, and amendments thereto, in violation of K.S.A. 40-241i.

11. Shelter Insurance Companies admits to the allegations set forth herein this order as described above.

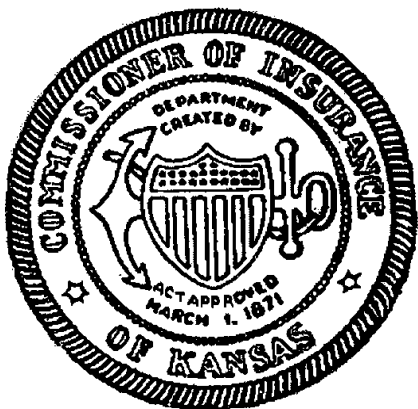
12. For the purposes of this Consent Order, Shelter Insurance Companies waives its right to a formal adjudicative proceeding and notice thereof and voluntarily consents to the following order of the Commissioner of Insurance.

**IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT:**

1. Shelter Insurance Companies shall immediately cease and desist from all acts alleged to be violation herein. Specifically, they shall cease and desist from failing to certify an agent as the agent of the company within the required time period.

2. Shelter Insurance Companies shall remit to the Kansas Insurance Department an administrative penalty in the sum of one thousand five hundred dollars (\$1,500.00) for violating K.S.A. 40-241i.

**IT IS SO ORDERED THIS \_\_\_30th\_\_\_ DAY OF MARCH, 2001 IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.**



\_\_\_\_\_/s/ Kathleen Sebelius\_\_\_\_\_  
Kathleen Sebelius  
Commissioner of Insurance

BY:

/s/ Kathy Greenlee  
Kathy Greenlee  
General Counsel

/s/ James R. Tuley  
James R. Tuley  
Shelter Insurance Companies

SUBMITTED AND APPROVED BY:

/s/ JaLynn Copp  
JaLynn Copp  
Attorney for Petitioner  
Kansas Insurance Department