

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

In the Matter of the Proposed Exemption)
of the **CECIL L. VAN TUYL TRUST**) Docket No. 3517-EX

ORDER

Now comes on for disposition the request of the Cecil L. Van Tuyl Trust, dated December 30, 1997, ("Applicant") for an Order, pursuant to K.S.A. § 40-3304(e)(1), exempting Applicant from the filing and approval requirements of K.S.A. § 40-3304(a), as said statute may be construed to apply to the restructuring of the insurance holding company system of Van Enterprises. Such restructuring is to be accomplished through a change in the ownership of Van Enterprises, the entity that is the holding company for Old United Casualty Company.

FINDINGS OF FACT

1. The Commissioner of Insurance has jurisdiction over this matter pursuant to K.S.A. §§ 40-103 and 40-3301, *et seq.*
2. Applicant is a revocable grantor trust, created on or about December 30, 1997, with Cecil Van Tuyl as trustee.
3. Applicant has requested an exemption from the acquisition and approval requirements of the Kansas Insurance Holding Companies Act, specifically those requirements stated in K.S.A. § 40-3304(a).
4. Van Enterprises is the holding company for Old United Casualty Company, a Kansas domiciled property and casualty insurance company.
5. Currently, the ultimate owner of Van Enterprises is Cecil Van Tuyl, who individually owns one hundred percent (100%) of the voting stock of the company.
6. Cecil Van Tuyl proposes to transfer one hundred percent (100%) of his stock in Van Enterprises to Applicant.

7. Following the transfer of shares to Applicant, the Van Enterprises stock will be recapitalized into shares of voting and non-voting stock with nine shares of non-voting stock for every one share of voting stock.

8. Following the recapitalization of the Van Enterprises stock into voting and non-voting stock, Applicant will convey all of the non-voting shares of Van Enterprises stock to the Van Tuyl Family 2005 Irrevocable Trust, an irrevocable trust for the benefit of Cecil Van Tuyl's descendants. The trustee for this trust will be Larry Van Tuyl, Cecil Van Tuyl's son.

9. All of the voting shares of Van Enterprises stock will remain in Applicant, as noted above, with Cecil Van Tuyl as trustee.

10. Cecil Van Tuyl will retain control of one hundred percent (100%) of the voting interest in Van Enterprises.

CONCLUSIONS OF LAW

11. K.S.A. § 40-3304(a) provides, in part, as follows:

(a) No person other than the issuer shall . . . enter into any agreement to exchange securities, or, seek to acquire, or acquire, in the open market or otherwise, any voting security of a domestic insurer unless, at the time . . . any such agreement is entered into . . . such person has filed with the commissioner of insurance and has sent to such insurer, a statement containing the information required by this section and such . . . agreement . . . has been approved by the commissioner of insurance in the manner hereinafter prescribed.

12. K.S.A. § 40-3304(e) provides

(e) The provisions of this section shall not apply to:

Any offer, request, invitation, agreement or acquisition which the commissioner of insurance by order shall exempt therefrom as: (1) Not having been made or entered into for the purpose and not having the effect of changing or influencing the control of a domestic insurer, . . .

13. Based upon the information enumerated in the Findings of Fact contained in paragraphs one through ten above, and the representations made on behalf of Applicant, the restructuring of the holding company system of Van Enterprises through the transfer and recapitalization of the Van

Enterprises stock, is not being made for the purpose of and will not have the effect of changing or influencing the control of Old United Casualty Company, a Kansas domestic insurer.

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

1. The Cecil L. Van Tuyl Trust, dated December 30, 1997, shall be exempt from the application of the formal filing and approval requirements of K.S.A § 40-3304(a) as it may be deemed to apply to the reorganization of Van Enterprises, the holding company for Old United Casualty Company, provided the reorganization is effected within sixty (60) days of the date of this Order.

2. The Cecil L. Van Tuyl Trust shall comply with all the provisions and requirements of K.S.A. §§ 40-3301, *et seq.*, in the future.

3. The Commissioner of Insurance retains jurisdiction over this matter to issue any and all further Orders deemed appropriate or to take such further action as necessary to dispose of this matter.

Notice of Rights

The Cecil L. Van Tuyl Trust is entitled to a hearing pursuant to K.S.A. § 77-537, the Kansas Administrative Procedure Act. If Applicant desires a hearing, they must file a written request for a hearing with:

John W. Campbell, General Counsel
Kansas Insurance Department
420 S.W. 9th Street
Topeka, Kansas 66612.

This request must be filed within fifteen (15) days from the date of service of this Order. If Applicant requests a hearing, the Kansas Insurance Department will notify them of the time and place of the hearing and information on the procedures, right of representation, and other rights of parties relating to the conduct of the hearing, before commencement of same.

If a hearing is not requested in the time and manner stated above, this Order shall become effective as a Final Order upon the expiration of time for requesting a hearing, pursuant to K.S.A. § 77-613. In the event Applicant files a petition for judicial review, pursuant to K.S.A. § 77-613(e), the agency officer to be served on behalf of the Kansas Insurance Department is:

John W. Campbell, General Counsel
Kansas Insurance Department
420 S.W. 9th Street
Topeka, Kansas 66612

IT IS SO ORDERED THIS 12th DAY OF JANUARY, 2006, IN THE CITY OF
TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



/s/ Sandy Praeger_____

Sandy Praeger

Commissioner of Insurance

By: /s/ John W. Campbell_____

John W. Campbell

General Counsel