

FINAL ORDER

Effective: 11-17-09

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

In the Matter of)	
KANSAS NONRESIDENT)	Docket No. 4047-SO
INSURANCE AGENCY LICENSE OF)	
WATSON WYATT INSURANCE CONSULTING, INC.)	
AGENCY NUMBER 522288033)	

STIPULATED ORDER

Pursuant to the authority granted to the Commissioner of Insurance (“Commissioner”) by K.S.A. §40-4909 *et seq.*, and in accordance with K.S.A. §77-537, the Commissioner hereby adopts this order, at the stipulation of the parties determines the following actions against the Kansas Nonresident Insurance Agency License of Watson Wyatt Insurance Consulting, Inc. (“Respondent”). This Stipulated Order shall become effective as a Final Order, without further notice, upon the expiration of the fifteen (15) day period if no request for a hearing is made, pursuant to K.S.A. §77-542.

Findings of Fact

The Commissioner has been shown the following facts:

1. Records maintained by the Kansas Insurance Department (“KID”) indicate Respondent is licensed as a nonresident agency to transact the business of insurance in the State of Kansas, and has been so licensed since April 8, 2002.
2. KID records further indicate a legal and mailing address for Respondent of 901 N. Glebe Road, Arlington, VA 22203
3. Following an investigation by the Indiana Department of Insurance (“IDOI”), Respondent entered into an Agreed Entry with IDOI effective April 17, 2009, pursuant to which Respondent did not admit any violation or liability but did agree to pay IDOI an administrative fine of \$2,000.

4. By letter dated August 10, 2009, KID notified Respondent that it had failed to notify KID of the Agreed Entry with IDOI within the time required by K.A.R. 40-7-9.

5. By letter dated August 20, 2009, Respondent provided KID with a copy of the Agreed Entry with IDOI and additional information requested by KID; however, Respondent submitted that the Agreed Entry with Indiana was not a “disciplinary action on the agent’s license” within the meaning of K.A.R. 40-7-9(a), and that any failure to comply with KID regulations was inadvertent.

6. Respondent and KID have agreed that Respondent shall pay KID an administrative penalty of Two Hundred Fifty Dollars (\$250.00) to resolve the foregoing matter.

Applicable Law

K.S.A. 40-4902(t) states that the definition of "Person" means an individual or a business entity."

K.A.R. 40-7-9 states, in pertinent part:

“Each person licensed in this state as an insurance agent shall report the following to the commissioner of insurance within 30 days of occurrence:

(a) Each disciplinary action on the agent’s license or licenses by the insurance regulatory agency of any other state or territory of the United States.”

K.S.A. 40-4909(h)(2) allows the commissioner to impose an administrative penalty for any violation of subsection (a) of K.S.A. 40-4909. K.S.A. 40-4909(a)(2)(A) states that the commissioner of insurance can punish an agency for any violation of “[a]ny provision of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, or any rule or regulation promulgated thereunder”.

Conclusions of Law

Based on the Findings of Fact enumerated above in Paragraphs #1 through #4 and the Applicable Law above:

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE:

Watson Wyatt Insurance Consulting, Inc. shall pay an administrative penalty of Two Hundred Fifty Dollars (\$ 250.00).

NOTICE OF RIGHTS

Respondent is entitled to a hearing pursuant to K.S.A. 77-537, the Kansas Administrative Procedure Act. If Respondent desires a hearing, the company 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 Respondent requests a hearing, the Kansas Insurance Department will notify the Respondent 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 the 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 Respondent 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 __26th__ DAY OF OCTOBER, 2009, 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

Certificate of Service

The undersigned hereby certifies that above and foregoing Summary Order was served via the United States Postal Service, first-class postage prepaid, on this 26th day of ____ Oct. _____, 2009, addressed to the following:

Mr. James S. Minogue
Senior Counsel
Watson Wyatt Insurance Consulting, Inc.
901 N. Glebe Road
Arlington, VA 22203

and

Watson Wyatt Insurance Consulting, Inc.
901 N. Glebe Road
Arlington, VA 22203

_/s/ John R. Dowell _____
John R. Dowell
Staff Attorney

Stipulation

The undersigned agrees to the above recitations and facts as well as the resultant administrative penalty.

_/s/ Ted Nussbaum _____
Ted Nussbaum, President
Watson Wyatt Insurance Consulting, Inc.