



5. Company wrote eleven (11%) of the direct premiums of mortgage guaranty insurance-written in the State of Kansas for the year ending December 31, 2009.
6. Company has stated it may exceed the maximum risk to capital ratio and would not be able to continue writing mortgage guaranty insurance in the state of Kansas.

#### **Conclusions of Law**

Based on the Findings of Fact enumerated above in Paragraphs #1 through #6:

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

A waiver of the risk to capital requirements is hereby granted at the request of the Company as provided for in K.S.A. §40-3512, as amended by 2010 House Bill 2501 (Section 1), which states in part: “...*Upon the request of a mortgage guaranty insurance company, the commissioner may waive the requirements in this section for such time and under such conditions as the commissioner may order, except that no such waiver shall exceed two years.*”

1. The Commissioner approves the waiver request of Company for the period July 1, 2010 until December 31, 2011, subject to the following stipulations:
  - A. That the Company provides the Commissioner, on semi-annual basis, a report showing the risk to capital ratio, pursuant to K.S.A. §40-3512, as amended, for each mortgage insurance company and on a consolidated basis for all mortgage guaranty companies which are part of the holding company system defined in K.S.A. §40-3302.
  - B. That the Company provide the Commissioner *pro-forma* financial projections of direct premiums written, admitted assets, total liabilities and capital and surplus along with cash flow projections for each quarter through December 31, 2011.
  - C. That the Company provides the Commissioner notification of any regulatory actions taken against the Company and affiliates.

D. That the Company provides the Commissioner notification of any rating agency actions taken of the Company and affiliates.

2. The Commissioner 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**

Company 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. 9<sup>th</sup> 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 Summary 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. 9<sup>th</sup> Street  
Topeka, Kansas 66612

IT IS SO ORDERED THIS 14th DAY OF JULY, 2010, 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

**Stipulation**

The undersigned agree to the above recitations and facts as well as the Conclusions of Law and the actions of the Commissioner.

/s/ Chris Cash  
Chris Cash  
Chief Financial Officer and Treasurer  
Republic Mortgage Insurance Company

**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 \_\_\_14th\_\_\_ day of July, 2010, addressed to the following:

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