

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

In the Matter of)
AMTRUST INSURANCE COMPANY OF KANSAS, INC.) **Docket No. 4423-CO**
NAIC#15954)
)

CONSENT AGREEMENT AND FINAL ORDER

Pursuant to the authority granted to the Commissioner of Insurance (“Commissioner”) by K.S.A. 40-103 and in accordance with K.S.A. 40-2,125, the Commissioner hereby admonishes and assess penalty against AmTrust Insurance Company of Kansas, Inc. (AmTrust) for violation of the applicable insurance statutes. This Consent Agreement shall become effective as a Final Order, without further notice, when signed by the Commissioner or her designee and filed of record with the Kansas Insurance Department (“KID”).

Findings of Facts

1. AmTrust Insurance Company of Kansas, Inc., located at 12790 Merit Drive, Suite 200, Dallas, Texas is a licensed Kansas domestic insurance company, which has been authorized to transact and has continuously engaged in transacting insurance business in the State of Kansas since February 18, 1972.
2. Annual statements for a domestic property and casualty insurance company are to be postmarked by March 1 of each year.
3. AmTrust failed to submit its Annual Statement, Printed Investment Schedule detail, Actuarial Opinion, Bail Bond Supplement (if applicable), Director and Officer Coverage Supplement (if applicable), Reinsurance Attestation Supplement (if applicable), Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Part 2) (if applicable), Risk-Based Capital Report, Supplemental Compensation Exhibit, Managing

General Agent Annual Reporting Form (if applicable), and Signed Jurat.as required by law on or by March 1, 2012.

4. AmTrust does not admit nor deny the foregoing facts.

Applicable Law

K.S.A. 40-103 states,

“The commissioner of insurance shall have general supervision, control and regulation of corporations, companies, associations, societies, exchanges, partnerships, or persons authorized to transact the business of insurance, indemnity or suretyship in this state and shall have the power to make all reasonable rules and regulations necessary to enforce the laws of this state relating thereto.”

K.S.A. 40-225 states, in pertinent part,

“Every insurance company or fraternal benefit society doing business in this state shall, if the statement of condition required below is compatible, participate in the insurance regulatory information system administered by the national association of insurance commissioners and shall annually, on January 1 or within 60 days thereafter, file with the commissioner of insurance a statement of its condition as of the preceding December 31. The commissioner may upon request, and for good cause shown grant a reasonable extension of time within which such statement may be filed. Such statement shall be made upon the form and be prepared in accordance with the instructions and accounting practices and procedures prescribed and adopted from time to time by the national association of insurance commissioners with such additions or amendments thereto as shall seem to the commissioner of insurance best adapted to elicit from such companies a true exhibit of their condition.”

K.S.A. 40-2,125(b) states, in pertinent part,

“If any person fails to file any report or other information with the commissioner as required by statute or fails to respond to any proper inquiry of the commissioner, the commissioner, after notice and opportunity for hearing, may impose a civil penalty of up to \$1,000, for each violation or act, along with an additional penalty of up to \$500 for each week thereafter that such report or other information is not provided to the commissioner.”

Conclusions of Law

The Commissioner has jurisdiction over AmTrust and the subject matter of this proceeding and based on Paragraphs #1 through #3 and the Applicable Law enumerated above.

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE:

1. AmTrust’s failure to submit its Annual Statement, Printed Investment Schedule detail, Actuarial Opinion, Bail Bond Supplement (if applicable), Director and Officer Coverage Supplement (if applicable), Reinsurance Attestation Supplement (if applicable), Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Part 2) (if applicable), Risk-Based Capital Report, Supplemental Compensation Exhibit, Managing General Agent Annual Reporting Form (if applicable), and Signed Jurat constitutes a violation of K.S.A. 40-225.
2. Pursuant to K.S.A. 40-2,125(b), AmTrust is hereby ordered to pay a monetary penalty, due and payable to the Kansas Insurance Department, in the amount of FIVE HUNDRED DOLLARS (\$500.00) for its above-stated violation of K.S.A. 40-225.
3. Pursuant to KSA 77-415(b)(2)(A), this order is designated by KID as precedent.

IT IS SO ORDERED THIS 30th DAY OF MARCH 2012, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



/s/ Sandy Praeger
Sandy Praeger
Commissioner of Insurance

BY:

/s/ Zachary Anshutz
Zachary Anshutz
General Counsel

Stipulation

The undersigned stipulates and agrees to the above findings fact and conclusions of law and waives its rights to administrative hearing and judicial review of the Commissioner's Order.

_s/ Harry Schlacter_____ _3-23-12_____
Harry Schlachter Date
Treasurer
In lieu of Jeffrey Paul Leo
President/Respondent

Prepared by:

_s/ Jennifer R. Sourk_____
Jennifer R. Sourk
Staff Attorney

NOTICE: In the event Respondent files a petition for judicial review, it must be filed within 30 days of service of this order, and pursuant to K.S.A. 77-613(e), the agency officer to be served on behalf of the Kansas Insurance Department is:

Zachary J.C. Anshutz, General Counsel
Kansas Insurance Department
420 S.W. 9th Street
Topeka, Kansas 66612

CERTIFICATE OF SERVICE

The undersigned hereby certifies that he served the above and foregoing Order and Notice of Rights on this 2nd day of April, 2012, by causing the same to be deposited in the United States Mail, registered mail with return-receipt requested postage prepaid, addressed to the following:

Harry Schlachter

Treasurer

In lieu of

Jeffrey P. Leo

President

AmTrust Insurance Company of Kansas, Inc.

12790 Merit Drive, Suite 200

Dallas, TX 75251

Manuel Romero

AmTrust Insurance Company of Kansas, Inc

PO Box 650771

Dallas, TX 75251

/s/ Jennifer R. Sourk

Jennifer R. Sourk

Staff Attorney