

5. Corporation wrote twenty-three percent (23%) of the direct premiums of mortgage guaranty insurance-written in the State of Kansas for the year ending December 31, 2011.
6. Corporation 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

A waiver of the risk to capital requirements is hereby granted at the request of the Corporation as provided for in K.S.A. §40-3512, 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.*”

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

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE:

1. The Commissioner approves the waiver request of Corporation for the period January 1, 2012 until December 31, 2012, subject to the following stipulations:
 - A. That the Corporation 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 Corporation 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, 2012.
 - C. That the Corporation provides the Commissioner notification of any regulatory actions taken against the Corporation and affiliates.

- D. That the Corporation provides the Commissioner notification of any rating agency actions taken of the Corporation 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

Corporation 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:

Zachary J.C. Anshutz, 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 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:

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

IT IS SO ORDERED THIS 29th 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 J.C. Anshutz
Zachary J.C. Anshutz
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/ Heidi A. Heyrman
Heidi A. Heyrman
Vice-President – Regulatory Relations
Assistant General Counsel and Assistant Secretary
Mortgage Guaranty Insurance Corporation

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 __30th__ day of March, 2012, addressed to the following:

Heidi A. Heyrman
Mortgage Guaranty Insurance Corporation
MGIC Plaza
PO Box 756
Milwaukee, WI 53201-0488

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