

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

In the Matter of)
Old United Casualty Company)
NAIC # 37060)

Docket No. 4547-EX

)

ORDER OF EXEMPTION

Pursuant to the authority granted by K.S.A. 40-3305, the Commissioner of Insurance (“Commissioner”) hereby exempts Old United Casualty Company, (“Old United”) from the requirements of K.S.A. 40-3305(e) for the purpose of a dividend transaction to its parent company. Pursuant to the authority granted to the Commissioner pursuant to K.S.A. 40-3301 and K.S.A. 40-3305(j), the Commissioner hereby asserts the following:

FINDINGS OF FACT

1. Old United, located at 8500 Shawnee Mission Pkwy, Suite 200, Merriam, KS 66202, is authorized to transact and has been continuously engaged in the transaction of the business of insurance in the State of Kansas since April 20, 1989.
2. In a letter dated December 17, 2012, Old United notified the Commissioner of a \$21,000,000 dividend transaction to its shareholder of record and parent company, Van Enterprises, Inc., payable December 31, 2012.
3. Pursuant to K.S.A. 40-3305(e) any such dividend shall not be paid for at least ten business days from the Commissioner’s receipt of the notice of the dividend declaration.
4. As the notification of the dividend was received on December 17, 2012, the earliest date that the dividend would be eligible for payment is January 4, 2013.
5. On December 19, 2012, Old United requested an exception to the ten business day requirement, which would allow them to pay the dividend on December 31, 2012.

APPLICABLE LAW

K.S.A. 40-3305 provides, in pertinent part:

(e) Any such dividends or distribution shall not be paid for at least 10 business days from the commissioner's receipt of the notice of its declaration.

(j) The provisions of this section shall not apply to any information or transaction if and to the extent the commissioner of insurance by order shall exempt the same from the provisions of this section.

CONCLUSION OF LAW

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT:

1. Old United is hereby exempted from the requirements of K.S.A. 40-3305(e) for the purpose of completing the \$21,000,000 dividend transaction as declared on December 14, 2012.

2. The above exemption pursuant to K.S.A. 40-3305(j) shall apply only to the \$21,000,000 dividend transaction as declared by Old United on December 14, 2012 and shall not be construed as an exemption for future dividend transactions.

NOTICE OF RIGHTS

This is a Final Order. This Final Order is effective upon service. Pursuant to K.S.A. 77-529, Applicant may petition the Commissioner for reconsideration of this Final Order within fifteen (15) days after service of the Final Order. A petition for reconsideration must state the specific grounds upon which relief is requested. Additionally, a party to this agency proceeding may seek judicial review of this Final Order by filing a petition in the District Court, pursuant to K.S.A. 77-601, et seq. Reconsideration of this Final Order is not a prerequisite for judicial review. A petition for judicial review is not timely unless filed within 30 days following the service of this Final Order, unless Old United Casualty Company petitions the Commissioner for reconsideration, in which case a petition for judicial review is not timely unless filed within 30

days following service of an order rendered upon reconsideration, or an order denying the request for reconsideration. In the event the Universal Underwriters Insurance Company files a petition for judicial review, the agency officer to be served on behalf of the KID is:

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

IT IS SO ORDERED THIS 21ST DAY OF DECEMBER, 2012, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



_____/s/ Sandy Praeger_____
Sandy Praeger
Commissioner of Insurance

_____/s/ John Wine_____
John Wine
General Counsel

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the above and forgoing Order of Exemption was served via the United States Postal Service, first class postage prepaid, on this 21st day of December, 2012, addressed to the following:

Mr. Daniel Mattox
President
Old United Casualty Company
8500 Shawnee Mission Parkway
Merriam, Kansas 66202

 /s/ Jennifer Sourk _____
Jennifer Sourk
Assistant General Counsel