

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

In the Matter of)
AMCO INSURANCE)
COMPANY)
NAIC # 19100)

Docket No.: 4982-CO

CONSENT AGREEMENT AND FINAL ORDER
(Pursuant to K.S.A. 40-2404 K.S.A. 77-537)

The Kansas Insurance Department (“KID”) and AMCO Insurance Company (“AMCO”) submit this Consent Agreement and Final Order. AMCO hereby waives any and all rights to further administrative adjudication or review of this matter, including any and all rights conferred upon it under K.S.A. 77-501 *et seq.* Pursuant to the authority conferred upon the Commissioner of Insurance in K.S.A. 40-216, Ken Selzer, CPA, the duly elected, qualified and serving Commissioner of Insurance, hereby adopts the KID’s agreement made with AMCO and finds and Orders as follows:

Stipulated Findings of Fact

The parties stipulate that if a hearing were conducted in this matter, the following evidence could be offered by the Commissioner, and although neither admitted nor denied by Respondent, would be recognized as admissible to show the following:

1. AMCO is domiciled in Iowa and has been authorized to issue insurance in Kansas since 1960.
2. AMCO submitted revisions to personal auto rate filings on January 12, 2017 requesting March 18, 2017 for new business and April 17, 2017 for renewal business for revised minimum limits on liability in compliance with amendments to Kansas Law.
3. KID approved rates for 2017 but requested to backdate the revisions to January 1, 2017 in order to comply with changes to Kansas Law.

Applicable Law

1. HB 2446 Section 1. (e) provides:

Be it enacted by the Legislature of the State of Kansas:

Section 1. On January 1, 2017, K.S.A. 40-3107 is hereby amended to read as follows: 40-3107. Every policy of motor vehicle liability insurance issued *or renewed on or after January 1, 2017*, by an insurer to an owner residing in this state shall:

(e) contain stated limits of liability, exclusive of interest and costs, with respect to each vehicle for which coverage is granted, not less than \$25,000 because of bodily injury to, or death of, one person in any one accident and, subject to the limit for one person, to a limit of not less than \$50,000 because of bodily injury to, or death of, two or more persons in any one accident, and to a limit of not less than \$25,000 because of harm to or destruction of property of others in any one accident.

2. K.S.A. 40-216 (a)(3) provides:

(a)(3) Each personal lines contract of insurance or indemnity issued or delivered in this state shall be on file for a period of 30 days before becoming effective unless the commissioner disapproves such personal lines contract of insurance or indemnity within 30 days after filing because the contracts of insurance or indemnity does not comply with Kansas law.

3. K.S.A. 40-2404 (12) provides:

The following are hereby defined as unfair methods of competition and unfair or deceptive acts or practices in the business of insurance:

(12) Statutory violations. Any violation of any of the provisions of K.S.A. 40-216, 40-276a, 40-2,155 or 40-1515, and amendments thereto.

4. K.S.A. 40-2407 (a)(1) provides:

(a) If, after such hearing, the commissioner shall determine that the person charged has engaged in an unfair method of competition or an unfair or deceptive act or practice...and if the act or practice is a violation of K.S.A. 40-2404, and amendments thereto, the commissioner may in the exercise of discretion order any one or more of the following:

(1) Payment of a monetary penalty of not more than \$1,000 for each and every act or violation, but not to exceed an aggregate penalty of \$10,000, unless the person knew or reasonably should have known such person was in violation of this act, in which case the penalty shall be not more than \$5,000 for each and every act or violation, but not to exceed an aggregate of \$50,000 in any six-month period.

Conclusions of Law

Based on the Findings of Fact enumerated in Paragraphs #1 through #3 and the applicable law cited above, **THE COMMISSIONER OF INSURANCE MAKES THE FOLLOWING ORDERS:**

1. The Commissioner of Insurance has jurisdiction over this matter pursuant to K.S.A. 40-216.
2. AMCO violated K.S.A. 40-216 (a)(3), requiring a filing to be submitted at least thirty days before its effective date.
3. AMCO neither admits nor denies the violations noted above.

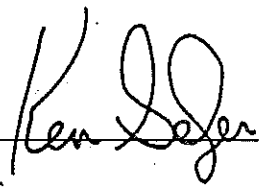
Orders

Based on the Findings of Fact, Applicable and conclusions cited above, **IT IS ORDERED BY THE COMMISSIONER OF INSURANCE:**

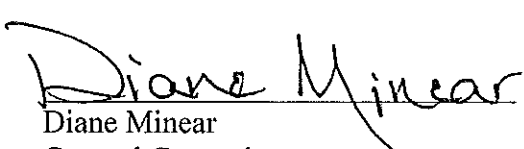
1. AMCO shall pay a monetary penalty of \$ 1,000 total, as authorized in K.S.A. 40-2407, for the above stated violation of K.S.A. 40-216 and K.S.A. 40-2404.
2. The Commissioner shall retain jurisdiction over this matter to issue any orders deemed necessary.

IT IS SO ORDERED THIS 24th DAY OF April, 2017, IN THE CITY OF TOPEKA, STATE OF KANSAS.



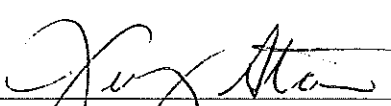


Ken Selzer



Diane Minear
General Counsel

APPROVED BY:

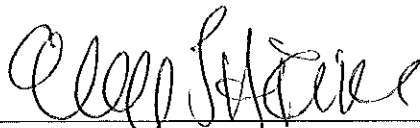


Jeremy Staun, Regional Vice President
AMCO Insurance Company
1 W. Nationwide Blvd., #1-04-701
Columbus, OH 43215

Certificate of Service

The undersigned hereby certifies that he served a true and correct copy of the above and foregoing **Consent Order** on this 24th day of April, 2017, by causing the same to be placed in the United States Mail, first class postage prepaid, addressed to the following:

AMCO Insurance Company
1 W. Nationwide Blvd., #1-04-701
Columbus, OH 43215



Elizabeth J. Hickert Fike
Staff Attorney