

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

**In the Matter of the**

**GENERALI US BRANCH  
NAIC # 11231**

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**Docket No. 96178**

**CONSENT AGREEMENT AND ORDER**

(Pursuant to K.S.A. 40-222 and K.S.A. 77-501, *et seq.*)

Pursuant to the authority granted to the Commissioner of Insurance (“Commissioner”) by K.S.A. 40-103 and in accordance with K.S.A. 40-222 and K.S.A. 77-501 *et seq.*, the Kansas Insurance Department (“Department”) and Generali US Branch, (“Generali”) enter into this Consent Agreement and Final Order. Generali consents to the *Findings of Fact, Applicable Law, and Conclusions of Law and Orders* set forth herein. Generali also 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.* and K.S.A. 77-601 *et seq.* Therefore, Vicki Schmidt, the duly elected, qualified and serving Commissioner of Insurance, hereby adopts the Department’s consent agreement made with Generali and makes the following findings and Orders.

**FINDINGS OF FACT**

The Department and Generali 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 Generali, would be recognized as admissible to show the following:

1. Generali is domiciled in New York and has been authorized to transact the business of insurance in Kansas since November 26, 1954.
2. Generali obtained Department approval for a travel policy form series, SERFF Tracking Number GEUS-127882203 (the “Travel Program”). The Travel Program included an

endorsement, required by the state law, providing for cancellation of the policy at any time, prior to the start of the insured's trip, and for pro-rata refunds of unearned premium for travel insurance where the insured cancelled their insurance policy pre-departure. Generali, therefore, agreed that it would promptly return the unearned portion of any premium paid.

3. The Travel Program also contained a provision known as a Ten Day free look provision, which provides an insured 10 days from the effective date of the insurance to cancel the insurance to receive a refund of premium paid.

4. From 2016 to present, Generali has, through various distribution channels, sold its travel insurance policies to Kansas insureds. Generali reports that 129,493 policies were sold to Kansas residents in the years 2016 through 2021.

5. On or about March 15, 2022, Generali advised the Department that for other than those policyholders that received a premium refund pursuant to the Ten Day free look period, Generali had not consistently refunded unearned travel insurance premium to Kansas policyholders who canceled their trips pre-departure. Generali reported that when some policyholders informed the company of their plan to cancel their current travel plans and possibly move the trip to a later date, the policyholders were offered a voucher to use for such future travel.

6. Generali did not maintain records of policyholders who requested a refund outside of the free look period and were denied their pro-rata refund.

7. Once the issue was discovered, Generali undertook corrective actions that included training staff on Generali policy language and Kansas law regarding processing of refunds for policyholders who were entitled to such refunds.

8. Generali has identified up to 111 policyholders that were issued vouchers instead of refunds, and who have not utilized the issued vouchers, with premiums attributable to those policies totaling \$26,631.96.

### APPLICABLE LAW

1. K.S.A. 40-955 provides, in part:

(g) No insurer shall make or issue a contract or policy except in accordance with filings which have been filed or approved for such insurer as provided in this act.

2. K.A.R. 40-1-17 provides:

When an insurance policy provision provides for the return of unearned premium, the provision shall not require the insured to request the return of premium, or that the premium is returned only ``upon demand."

3. K.S.A. 40-2,125 provides, in part:

(a) If the commissioner determines after notice and opportunity for a hearing that any person has engaged or is engaging in any act or practice constituting a violation of any provision of Kansas insurance statutes or any rule and regulation or order thereunder, 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 \$1,000.00 for each and every act or violation, unless the person knew or reasonably should have known such person was in violation of the Kansas insurance statutes or any rule and regulation or order thereunder, in which case the penalty shall be not more than \$2,000.00 for each and every act or violation;

(2) suspension or revocation of the person's license or certificate if such person knew or reasonably should have known that such person was in violation of the Kansas insurance statutes or any rule and regulation or order thereunder; or

(3) that such person cease and desist from the unlawful act or practice and take such affirmative action as in the judgment of the commissioner will carry out the purposes of the violated or potentially violated provision.

### **CONCLUSIONS OF LAW AND ORDERS**

Based on the information enumerated in Paragraphs 1 through 8, 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. 40-222 and shall retain jurisdiction to issue any further orders deemed necessary.
2. Generali neither admits nor denies stated violations, as enumerated above.
3. Generali shall pay a monetary penalty of \$2,500.00 to the Kansas Insurance Department for violations of Kansas law. The penalty shall be paid within 30 days of the effective date of this order.
4. Generali shall refund the premium attributable to the policies that had a voucher issued to the policyholder who cancelled the trip pre-departure and who have not yet used the issued voucher. Such refunds shall be made without further request of the insured or the Department.
5. Generali shall provide a confidential status report to the Department on or before December 31, 2022, that advises the Department on the status of the refunds ordered in paragraph 4 in this section.

Agreed to by and for Generali US Branch.:

Signature: \_\_\_\_\_

Name: John M. Collins


Title: General Counsel & Secretary

Date: October 5, 2022

IT IS SO ORDERED THIS 26th DAY OF October 2022, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



VICKI SCHMIDT  
COMMISSIONER OF INSURANCE

BY:   
Justin L. McFarland  
General Counsel

**NOTICE REGARDING JUDICIAL REVIEW**

In the event Respondent files a Petition for Judicial Review, the agency officer designated pursuant to K.S.A. 77-613(e) to receive personal service of a petition for judicial review on behalf of the Kansas Insurance Department is:

Justin L. McFarland, General Counsel  
Kansas Insurance Department  
1300 SW Arrowhead Rd.  
Topeka, Kansas 66604

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that she served the above-and-foregoing Consent Agreement and Order on this 26th day of October 2022, by causing the same to be deposited in the United States Mail, certified, addressed to the following:

Generali U.S. Branch  
7 World Trade Center  
250 Greenwich St. 33<sup>rd</sup> Floor  
New York, NY 10007  
*Mailing Address*

Blaine Finch  
101 West Second Street  
Ottawa, KS 66067  
*Counsel for Generali U.S. Branch*

  
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Toni Garrard  
Senior Administrative Specialist