

IN THE DISTRICT COURT OF SHAWNEE COUNTY, KANSAS
DIVISION 15

VICKI SCHMIDT,)
COMMISSIONER OF)
INSURANCE,)
In her Official Capacity,)
)
Petitioner,)
)
vs.)
)
KEY INSURANCE COMPANY,)
)
Respondent.)

Case No. 2025 CV-151

Order Approving SDR Consulting Agreement

Now on this date, Petitioner Vicki Schmidt, in her capacity as Rehabilitator of Key Insurance Company (“Key”), appears by counsel upon the *Motion for Approval of SDR Consulting Agreement*, and requests that the Court enter an Order approving her Consulting Agreement (the “Agreement”), with her the Special Deputy Receivers (“SDR”), and her engagement of the law firm Norton Rose Fulbright US LLP, to assist her and provide appropriate services with respect to the rehabilitation of Key .

The Court finds:

1. On March 3, 2025, this Court entered an Order of Rehabilitation placing Key into rehabilitation. The Court appointed the Commissioner as Rehabilitator and approved the Rehabilitator’s appointment of Jodi M. Adolf and Bruce E. Baty as SDRs.
2. The Rehabilitator has the power to “employ such counsel, clerks and assistants as deemed necessary. The compensation . . . and all expenses of taking possession of the insurer and

of conducting the proceedings shall be fixed by the commissioner, with the approval of the court and shall be paid out of the funds or assets of the insurer.” K.S.A. § 46-3618(a).

3. The SDRs are experienced insurance company restructuring specialists, who have assisted the Commissioner in similar projects and acted as special deputy receivers for insurance companies in this and other states. In addition, the SDRs’ law firm, Norton Rose Fulbright US LLP (“NRF”) is a nationally recognized full-service law firm with deep experience in insurance regulatory and corporate matters. The Rehabilitator has determined that the assistance of the SDRs and NRF in successfully and efficiently managing the Key receivership is essential.

4. The SDRs and NRF will provide managerial, operational, and legal consulting and related services concerning the rehabilitation of Key, and the SDRs and NRF agree to make themselves available to perform such services pursuant to the terms of the Agreement.

5. The Agreement, which is attached as Exhibit A to the Motion, sets forth the obligations of each party and compensation for the SDRs and NRF.

6. The terms and conditions of the Agreement are fair and reasonable and consistent with similar arrangements the SDRs and NRF have with Commissioner Schmidt and other state insurance regulators in providing services to insurance receiverships.

7. The SDRs and NRF shall be subject to the supervision of the Rehabilitator, and shall serve at the pleasure of the Rehabilitator.

8. The Agreement is approved.

IT IS SO ORDERED.

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