

STATE OF MISSOURI



DEPARTMENT OF COMMERCE & INSURANCE

P.O. Box 690, Jefferson City, Mo. 65102-0690

In Re:

GREAT AMERICAN ALLIANCE)
INSURANCE COMPANY (NAIC #26832)) **Market Conduct Investigation No. 438834**

ORDER OF THE DIRECTOR

NOW, on this 14th day of April, 2025, Director Angela L. Nelson, after consideration and review of the Stipulation of Settlement and Voluntary Forfeiture (hereinafter “Stipulation”) entered into by the Division of Insurance Market Regulation (hereinafter “Division”) and Great American Alliance Insurance Company (NAIC #26832) (hereinafter “Great American”), relating to the market conduct investigation no. 438834, does hereby issue the following orders:

This order, issued pursuant to §374.046.15¹ and §374.280 RSMo, is in the public interest.

IT IS THEREFORE ORDERED that the Director does hereby approve the Stipulation as agreed to by Great American and the Division.

IT IS FURTHER ORDERED that Great American shall not engage in any of the violations of statutes and regulations set forth in the Stipulation, shall implement procedures to place it in full compliance with the requirements in the Stipulation and the statutes and regulations of the State of Missouri, shall maintain those corrective actions at all times, and shall fully comply with all terms of the Stipulation.

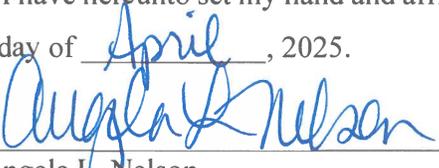
¹ All references, unless otherwise noted, are to Revised Statutes of Missouri 2016.

IT IS FURTHER ORDERED that Great American shall pay, and the Department of Commerce and Insurance, State of Missouri, shall accept, the Voluntary Forfeiture of \$500.00, payable to the Missouri State School Fund.

IT IS SO ORDERED.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of my office in Jefferson City, Missouri, this 9th day of April, 2025.





Angela L. Nelson
Director

**IN THE DEPARTMENT OF COMMERCE AND INSURANCE
STATE OF MISSOURI**

In Re:)
)
GREAT AMERICAN ALLIANCE) **Market Conduct Investigation No. 438834**
INSURANCE COMPANY (NAIC #26832))

STIPULATION OF SETTLEMENT AND VOLUNTARY FORFEITURE

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter the “Division”), and Great American Alliance Insurance Company (hereinafter “Great American”), as follows:

WHEREAS, the Division is a unit of the Missouri Department of Commerce and Insurance (hereinafter the “Department”), an agency of the State of Missouri, created and established for administering and enforcing all laws in relation to insurance companies doing business in the State of Missouri;

WHEREAS, Great American has been granted a certificate of authority to transact the business of insurance in the State of Missouri;

WHEREAS, the Division conducted a market conduct investigation of Great American, investigation no. 438834; and

WHEREAS, based on the market conduct investigation of Great American, the Division alleges that:

1. Great American did not file rates for a large deductible policy that complied with § 287.947(1), RSMo.¹

WHEREAS, the Division and Great American have agreed to resolve the issues raised in the market conduct investigation as follows:

¹ All statutory references, unless otherwise noted, are to the 2016 Revised Statutes of Missouri.

A. **Scope of Agreement.** This Stipulation of Settlement and Voluntary Forfeiture (hereinafter “Stipulation”) embodies the entire agreement and understanding of the signatories with respect to the subject matter contained herein. The signatories hereby declare and represent that no promise, inducement or agreement not herein expressed has been made, and acknowledge that the terms and conditions of this agreement are contractual and not a mere recital.

B. **Remedial Action.** Great American agrees to take remedial action bringing it into compliance with the statutes and regulations of Missouri and agrees to maintain those remedial actions at all times. Such remedial actions shall include the following:

1. Great American agrees to ensure that, going forward, all rates are filed in compliance with § 287.947 and that the filings include the following information:

- a. The employer’s name and address;
- b. The policy number and policy period;
- c. All states for which coverage is being provided under the policy;
- d. The total premium charged for the policy and the amount specifically attributable to the Missouri exposure of the employer’s operation(s);
- e. The methodology by which the premium was established;
- f. The amount of and type of deductible(s) applicable to the policy;
- g. The amount and type of collateralization of the deductible; and
- h. What entity will be responsible for the administration of claims (the employer, the insurer or a specified third party administrator).

2. Great American agrees to revise underwriting guidelines and procedures to include compliance with § 287.947 going forward. Great American will provide a copy of revised portions of the underwriting guidelines and procedures to the Division.

3. Great American agrees it will not issue any new large deductible workers' compensation

policies or renew policy number WC E867706-01 unless the rates applied to such policies are in compliance with § 287.947.

C. **Compliance.** Great American agrees to file documentation pursuant to § 374.190 with the Division, in a format acceptable to the Division, within thirty (30) days of the entry of an Order approving this Stipulation, of any remedial action taken to implement compliance with the terms of this Stipulation.

D. **Voluntary Forfeiture.** Great American agrees, voluntarily and knowingly, to surrender and forfeit the sum of \$500.00, payable to the Missouri State School Fund, in accordance with §§ 374.049.11 and 374.280.2, within fifteen (15) days of the date the Director of the Department (hereinafter “Director”) signs the Order approving this Stipulation.

E. **Non-Admission.** Nothing in this Stipulation shall be construed as an admission by Great American, this Stipulation being part of a compromise settlement to resolve disputed factual and legal allegations arising out of the above referenced market conduct investigation.

F. **Waivers.** Great American, after being advised by legal counsel, does hereby voluntarily and knowingly waive any and all rights to procedural requirements, including notice and an opportunity for a hearing, and review or appeal by any trial or appellate court, which may have otherwise applied to the market conduct investigation no. 438834.

G. **Amendments.** No amendments to this Stipulation shall be effective unless made in writing and agreed to by authorized representatives of the Division and Great American.

H. **Governing Law.** This Stipulation shall be governed and construed in accordance with the laws of the State of Missouri.

I. **Authority.** The signatories below represent, acknowledge, and warrant that they are authorized to sign this Stipulation on behalf of the Division and Great American, respectively.

J. **Counterparts.** This Stipulation may be executed in multiple counterparts, each of

which shall be deemed an original and all of which taken together shall constitute a single document. Execution by facsimile or by electronically transmitted signature shall be fully and legally effective and binding.

K. **Effect of Stipulation.** This Stipulation shall not become effective until entry of an Order by the Director approving this Stipulation.

L. **Request for an Order.** The signatories below request that the Director issue an Order approving this Stipulation and ordering the relief agreed to in the Stipulation, and consent to the issuance of such Order.

DATED: _____



Teresa Kroll
Chief Market Conduct Examiner
Division of Insurance Market Regulation

DATED: _____



Name:
Title:
Great American Alliance Insurance Company