

IN2204141/SMK

**STATE OF MINNESOTA
COMMISSIONER OF COMMERCE**

In the Matter of the Certificate of Authority
of Horace Mann Insurance Company
an Illinois corporation licensed
to do business in the State of Minnesota.
NAIC No. 22578.

CONSENT ORDER

TO: Horace Mann Insurance Company
One Horace Mann Plaza
Springfield, IL 62715

Commissioner of Commerce James C. Bernstein (hereinafter "Commissioner") has determined as follows:

1. The Commissioner has advised Horace Mann Insurance Company (hereinafter "Respondent") that as a result of an investigation by the Commissioner concerning Respondent's conduct as a corporation engaged in the business of insurance in Minnesota, the Commissioner is prepared to commence formal proceedings in accordance with the provisions of Minn. Stat. § 45.027 (2000) against Respondent's Certificate of Authority to engage in the business of insurance in Minnesota based on allegations that Respondent failed to provide requested documentation to the Department, in violation of Minn. Stat. § 45.027, Subd. 1a (2000), and violated Minn. Stats. § 72A.20, Subd. 12(14) and § 72A.201, Subd. 4(2), (3) and (4) (2000) in the administration of an automobile insurance claim.

2. Respondent acknowledges that it has been advised of its rights to a hearing in this matter, to present argument to the Commissioner and to appeal from any adverse determination after a hearing, and Respondent hereby expressly waives those rights. Respondent further acknowledges that it has been represented by legal counsel throughout these proceedings or has been advised of its right to counsel, which right it hereby waives.

3. Respondent has agreed to an informal disposition of this matter without a hearing, as provided under Minn. Stat. § 14.59 (2000) and Minn. R. 1400.5900 (2001).

4. The following Order is in the public interest.


NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Minn. Stat. § 45.027, Subd. 6 (2000) that Respondent shall pay to the State of Minnesota a civil penalty of \$10,000.

This Order shall be effective upon signature on behalf of the Commissioner.

Dated: 11-20-02

JAMES C. BERNSTEIN
Commissioner of Commerce
State of Minnesota

By:


GARY A. LAVASSEUR
Deputy Commissioner
Enforcement Division

85 Seventh Place East, Suite 500
St. Paul, Minnesota 55101
Telephone: (651)296-2594

CONSENT TO ENTRY OF ORDER

The undersigned, acting on behalf of Horace Mann Insurance Company, states that he/she has read the foregoing Consent Order; that he/she knows and fully understands its contents and effect; that he/she is authorized to execute this Consent to Entry of Order on behalf of Respondent; that he/she has been advised of Respondent's right to a hearing; that Respondent has been represented by legal counsel in this matter; or that he/she has been advised of Respondent's right to be represented by legal counsel and that he/she has waived this right; and that he/she consents to entry of this Order by the Commissioner of Commerce. It is further expressly understood that this Order constitutes the entire settlement agreement between the parties hereto, there being no other promises or agreements, either express or implied.

HORACE MANN INSURANCE COMPANY

By: Ann Caparros

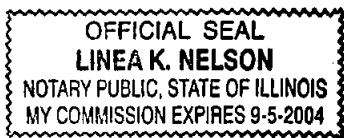
Its: DAVID OUSLEY, ITS ASS'T V. PRESIDENT
ANN CAPARROS, ITS GENERAL COUNSEL

STATE OF Illinois

COUNTY OF Sangamon

This instrument was acknowledged before me on 11/14/02 (date) by Ann Caparros & David Ousley
(name(s) of person(s) as General Counsel & Asst. Vice President (type of authority, e.g., officer, trustee, etc.) of
Horace Mann Insurance Company (name of party on behalf of whom the instrument was executed).

(stamp)



Linea K. Nelson
(Signature of notary officer)
Notary Public

Title (and Rank)
My commission expires: 9/5/2004