

File No. 54726/EJL
E-Case No. 2364

State of Minnesota
Dept of Commerce

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE

AUG 19 2019
Rec'd \$ 10,000

In the Matter of the Certificate of Authority
of The Travelers Indemnity Company
a Connecticut corporation licensed
to do business in the State of Minnesota
NAIC. No. 25658

CONSENT ORDER

TO: The Travelers Indemnity Company
One Tower Square
Hartford, CT 06183-0111

Commissioner of Commerce Steve Kelley (Commissioner) has determined as follows:

1. The Commissioner has advised The Travelers Indemnity Company (Respondent) that he is prepared to commence formal action, pursuant to Minn. Stat. § 45.027 (2018) and other applicable law, based on allegations that Respondent (1) terminated a resident insurance producer not for cause after it discovered the producer's business account was short more than \$300,000 in collected premium payments and (2) failed to notify the Commissioner about additional information as its audit progressed, in violation of Minn. Stat. §§ 60K.51, subd. 3 and 72A.20, subd. 18(b) (2018).
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. Respondent hereby expressly waives those rights. Respondent further acknowledges that it has been represented by legal counsel throughout these proceedings or has waived that right.
3. Respondent has agreed to informal disposition of this matter without a hearing as provided under Minn. Stat. § 14.59 (2018) and Minn. R. 1400.5900 (2017).
4. For purposes of Minn. Stat. § 16D.17 (2018), Respondent expressly waives its right to any notice or opportunity for a hearing on any civil penalty imposed by the Commissioner. Further, Minn. Stat. § 16D.17 (2018) allows the Commissioner to file and enforce the civil penalty imposed by this Order as a judgment against Respondent in district court without further notice or additional proceedings.

5. The civil penalty and/or any resulting judgment arising from this Order will be non-dischargeable in any bankruptcy proceeding. See 11 U.S.C. 523 (a)(7) ("A discharge under section 727, 1141, 1228(a), 1228(b) or 1328(b) of this title does not discharge an individual debtor from any debt... to the extent such debt is for a fine, penalty, or forfeiture payable to and for the benefit of a governmental unit, and is not compensation for actual pecuniary loss, other than a tax penalty...").

6. The following Order is in the public interest.

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Minn. Stat. Ch. 45 (2018) that:

A. Respondent shall pay a civil penalty in the amount of \$10,000 to the State of Minnesota;
and

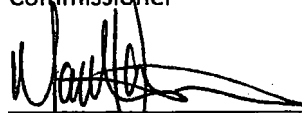
B. Respondent shall review its policies and procedures to ensure it is in compliance with and fulfilling the requirements of Minn. Stat. § 60K.51 (2018).

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

Date:

8/23/2019

STEVE KELLEY
Commissioner



MATTHEW VATTER
Assistant Commissioner of Enforcement
Minnesota Department of Commerce
85 Seventh Place East, Suite 280
St. Paul, MN 55101
(651) 539-1600

CONSENT TO ENTRY OF ORDER

The undersigned, acting on behalf of The Travelers Indemnity Company, states that s/he has read this Consent Order; that s/he knows and fully understands its contents and effect; that s/he is authorized to execute this Consent Order on behalf of The Travelers Indemnity Company; that s/he has been advised of the right to a hearing in this matter, to present argument to the Commissioner, and to appeal from any adverse determination after a hearing and expressly waives those rights. The undersigned further acknowledges that The Travelers Indemnity Company has been represented by legal counsel throughout these proceedings, or has been advised of its right to be represented by legal counsel, which right it hereby expressly waives; and that it consents to entry of this Order by the Commissioner. It is further understood that this Consent Order constitutes the entire settlement agreement between the parties, there being no other promises or agreements, either express or implied.

The Travelers Indemnity Company

Date: 8/13/19

By: *John F. Ehrlich*
(Name)

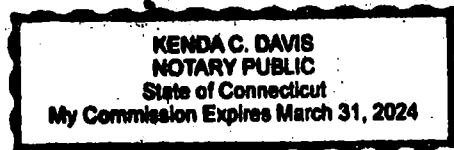
Its: Group General Counsel
(Title) Business Insurance

STATE OF Connecticut

COUNTY OF Hartford

Signed or attested before me on 8/13/19 (Date).

(Notary stamp)



Kenda C. Davis
(Signature of Notary)

My Commission expires: