



February 18, 2013

Kathleen E. Jolly  
Investigations Section  
Department of Insurance, Financial Institutions and Professional Registration  
301 West High St., Room 530  
P.O. Box 690  
Jefferson City, MO 65102-0690

Re: DIFP 181122 WFG

Dear Ms. Jolly:

Thank you so much for bringing these issues to our attention so that we can correct the problems.

In response to your letter of January 18, 2013 we wish to provide the following:

**Licensing**

Underwriting support for our agents in Missouri has been provided by two employees who are licensed with the state, Dan Gaudreau and Gael Uhlig. Janell Downing is an administrative person and does not nor has not provided underwriting support of any kind. Correspondence may have been addressed to her with underwriting questions but such correspondence has always been forwarded by Ms. Downing to appropriate WFG underwriters and not provided by her. Charles Cain who is a senior vice president of the company does provide underwriting support for agents of WFG in various states outside of Missouri. An occasional question may have been answered by Mr. Cain but only in the absence of licensed personnel. This issue is being resolved as Mr. Cain and other germane WFG underwriting personnel who hitherto have not provided underwriting assistance to WFG agents in Missouri but may be called upon in the future to do so are preparing to take the test and file formal application for an agent's license presently.

Data Quick has not been writing on us in Missouri despite their appointment and will not be so, as such, their appointment has been terminated. Unisource has filed to renew their license but likewise have not been writing our paper in Missouri. CPL and jacket access has been terminated for Data Quick and suspended for Unisource until their license is renewed.

Metro Lender Services ceased operations in October and has not had access to CPL or jacket production since then. Failing to cancel their appointment with Missouri was an oversight on our part.

We have taken steps to through our Agency Support group to be sure that in the future the status of any agent authorized to write on us in Missouri has all appropriate licensure in place and active. Absent evidence of renewal either through your records or evidence from the agent any agent whose license has expired will be



immediately cut off from issuance of CPLs or jackets and their access only restored upon evidence that they are an agent in good standing with Missouri.

### **Form Use**

We have discovered that a third party retained by us to deliver our Missouri forms to our agents had delivered the wrong forms. To correct and resolve this issue we have taken the following steps:

- We will by bulletin advise all of our agents that a jacket must accompany each commitment when issued.
- We will by bulletin also advise all of our agents to only use the forms as explicitly filed with Missouri. We have provided them and their software providers where appropriate with the corrected forms so this issue should not repeat itself.
- We are proceeding to advise our insureds under owner's policies that they will be insured under the language as provided under and by the filed forms but that no claim shall be denied by us solely on the basis of discrepancy between the language of the form they received and the filed form that they should have received.
- We are proceeding to advise our insureds under lenders' policies issued that they will be insured under the language as provided under and by the filed forms but that no claim shall be denied by us solely on the basis of discrepancy between the language of the form they received and the filed form that they should have received. We are also advising them that, if they require it, we will so endorse any such policy or policies by blanket endorsement with language to that effect.

When the bulletins and letters are in final form, we will forward you copies.

As a voluntary gesture of good faith and to show our recognition of the work the Department has done in this situation, we would look to enter into a Voluntary Forfeiture Agreement (VFA) with State of Missouri. We would like to discuss with you proposed language for the VFA including the items set forth above as to curative action in this matter. We appreciate your patience and assistance and look forward to working with the Department to assure a good future working relationship.

Please let us know when we can be of further assistance.

Very truly yours,

A handwritten signature in blue ink, appearing to read "S. Winkler".

Steven H. Winkler  
Chief Underwriting Counsel and Corporate Secretary  
SHW/s

cc: Charles Cain  
Joseph McCabe, General Counsel