

**STATE OF OREGON  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
INSURANCE DIVISION**

In the Matter of **ServicePlan, Inc.**

) **STIPULATION** and  
) **FINAL ORDER**  
) File No. 2355 IV  
) Case No. INS 02-01-007

**STIPULATION**

The Director of the Department of Consumer and Business Services (director) commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take disciplinary action against ServicePlan, Inc. (ServicePlan).

ServicePlan enters into this Stipulation to conclude this proceeding without further administrative or judicial proceedings, as provided by ORS 183.415(5) and related rules. The person signing this Stipulation on behalf of ServicePlan represents that he or she is so authorized by ServicePlan.

**Waiver**

The director decided to and did issue a Cease and Desist Order to ServicePlan on 1/18/02 for violating ORS 731.354. On 2/6/02, ServicePlan requested a hearing but waived the right to have the hearing held within 30 days. ServicePlan withdraws its request for a hearing and waives the right to judicial review of the order.

The director decided to assess ServicePlan a civil penalty for violating ORS 731.354. The director has not issued a notice of proposed action to ServicePlan proposing to assess the civil penalty. ServicePlan waives the right to receive the notice, to receive another notice of the rights of a party and procedures in contested cases, to have a hearing, to be represented by an attorney at the hearing, and to judicial review of the Final Order below.

ServicePlan admits and agrees to the following facts, conclusions, and action.

**Facts and Conclusions**

Licensing

ServicePlan has never been issued a certificate of authority to act as an insurer in Oregon. ServicePlan's mailing address is 1000 Milwaukie Avenue, Glenview, IL 60025.

Transacting Insurance Without a Certificate of Authority

ServicePlan violated ORS 731.354 by selling home protection insurance policies to Oregon residents from 5/27/01 to 2/1/02.

**Action**

Pursuant to ORS 731.988, ServicePlan shall pay a civil penalty of \$50,000. The payment shall be made in the form of a check payable to the "Department of Consumer and Business Services" for the full amount due. The payment shall be delivered or mailed to the Insurance Division at 350 Winter Street NE, Room 440, Salem, OR 97301-3883. The payment shall be received by the Insurance Division by the date of the Final Order.

The director shall not take any other action against ServicePlan for any other violation of ORS 731.354 related to the sale of home protection insurance policies before 2/1/02.

Dated June 20, 2002

/s/ Rondald D. Markovits  
[Signature of Representative]

Rondald D. Markovits  
[Printed Name of Representative]

Director & Secretary  
[Printed Title of Representative]

ServicePlan, Inc.

**FINAL ORDER**

The director adopts and incorporates herein by this reference the above Stipulation as the director's final decision in this proceeding.

Dated July 1, 2002

/s/ Mary C. Neidig  
Mary C. Neidig  
Director  
Department of Consumer and Business Services

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