

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

In the Matter of **Life Insurance Company of Georgia**) **FINAL ORDER**
and **Southland Life Insurance Company.**) Case No. INS 02-04-007

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 Life Insurance Company of Georgia and Southland Life Insurance Company (hereinafter referred to as the Companies).

The director adopts, agrees with the provisions of, and incorporates herein by this reference, the Regulatory Settlement Agreement dated February 28, 2002 (hereinafter referred to as the agreement), including the Stipulation of Settlement, as the director's final decision in this proceeding. A copy of the agreement is attached to this Final Order.

In accordance with the terms of the agreement:

The director acknowledges the authority of the Lead Regulatory Negotiator, as described in the agreement; and

The Companies shall pay a civil penalty of \$1,000 pursuant to ORS 731.988. The agreement allocates to each state that adopts the agreement an administrative penalty based on the percentage of the total affected policies that were issued to persons who live in the state. Of the approximately 2.5 million affected policies, only 18, or 0.0010 percent, were issued to persons who live in Oregon. As a result, of the total \$4 million fine, the minimum fine of \$1,000 was allocated to Oregon. 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 applicable date specified in Section 1 of Article III of the Regulatory Settlement Agreement.

Dated May 10, 2002

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