

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

In the Matter of ) **FINAL ORDER**  
**Union National Life Insurance Company,** )  
**United Insurance Company of America, and** )  
**The Reliable Life Insurance Company.** ) Case No. INS 02-05-021

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 Union National Life Insurance Company, United Insurance Company of America, and The Reliable Life Insurance Company (hereinafter collectively referred to as the Companies).

The Companies, and the Illinois Department of Insurance, on behalf of the insurance regulator of each state that adopts the agreement, entered into a Regulatory Settlement Agreement dated May 2, 2002. A copy of the agreement is attached to this Final Order.

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

The agreement, *inter alia*, provides that the Companies will pay a portion of the total allocated sanction amount of \$1.25 million to each state that adopts the agreement. The portion for each state is calculated by adding the minimum amount of \$1,000 to an additional amount based on the state's portion of the total eligible policies of record. Since Oregon had only 18 of the 391,538 total eligible policies of record, the portion of the allocated sanction amount for Oregon is only \$1,055.

Thus, in accordance with the agreement, the Companies shall pay a civil penalty of \$1,055 pursuant to ORS 731.988. 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 II.B.1 of the agreement.

Dated June 11, 2002

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