

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

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**

In the Matter of the Certificate of Authority of  
American Growers Insurance Company,  
Omaha, Nebraska

**SUSPENSION ORDER**

Case No. INS 03-01-001

**INTRODUCTION**

The Director of the Department of Consumer and Business Services (Director) hereby issues a Suspension Order to American Growers Insurance Company ("American Growers") under Oregon Revised Statutes (ORS) 731.256 and 731.418 because she has reason to believe the following:

**FINDINGS OF FACT**

Since January 22, 1993, American Growers, a Nebraska corporation, has been issued a certificate of authority pursuant to ORS 731.402. American Growers is authorized to transact property, casualty excluding workers' compensation, marine and transportation insurance within the state of Oregon.

On or about December 20, 2002, upon consideration of the petition for an Order of Rehabilitation and for injunctive relief with respect to American Growers filed by the Director of Insurance for the State of Nebraska, the District Court of Lancaster County, Nebraska, issued an order, Case C1 02-4637, placing American Growers into rehabilitation. American Growers, through its President, voluntarily appeared and consented to the Order of Rehabilitation, waiving notice and hearing on the Petition.

Rehabilitation is a form of delinquency proceeding. Pursuant to ORS 731.418(2), without advance notice or a hearing thereon, the Director may suspend immediately the certificate of authority of any insurer as to which proceedings for receivership, conservatorship, rehabilitation, or other delinquency proceedings, have been commenced in any state by the public insurance supervisory official

of such state.

### ULTIMATE FINDINGS OF FACT

The insurance supervisory official of the state of Nebraska commenced a delinquency proceeding against American Growers.

### CONCLUSIONS OF LAW

The Director may suspend American Growers' Oregon certificate of authority without a hearing under 731.418 (2).

### ORDER

Pursuant to ORS 731.418(2), the Oregon certificate of authority issued to American Growers is suspended. The period of suspension shall be continuous from the date of this order until terminated by further written order of the Director, pursuant to ORS 731.426(1). Pursuant to ORS 731.426(2), during the period of suspension, American Growers shall not solicit or issue new policies of insurance or assume any Oregon risk. American Growers shall file its annual financial statement and pay any fees and taxes required to be paid. American Growers may service any existing policies of insurance issued to persons residing in Oregon.

Pursuant to ORS 731.422(2), the authority of all agents to represent American Growers within the state of Oregon is also suspended. The period of suspension shall be for the same period that the certificate of authority issued to American Growers is suspended. During the period of suspension, an agent may represent American Growers only to the extent that American Growers may transact insurance and that American Growers has authorized the agent to represent it.

Issued in duplicate the 6<sup>TH</sup> day of January, 2003.



Mary C. Neidig  
Director  
Insurance Commissioner  
Department of Consumer and Business Services

## **NOTICE**

You are entitled to a hearing under ORS 183.415. You may be represented at a hearing by an attorney licensed in Oregon. If you want a hearing, you must deliver or mail a written request for a hearing to the Director addressed to Insurance Division, Hearings Section, 350 Winter Street NE Room 440-6, Salem, Oregon 97310. The written request must be received by the Director within 21 calendar days after the date this order is delivered or mailed to you.

If you request a hearing within the time allowed, then you will be notified of the time and location of the hearing and information regarding contested case proceedings before the Director.

If you do not request a hearing within the time allowed, then you will waive your right to a hearing. Also, if you do not request a hearing within the time allowed, or if you do not appear at a scheduled hearing, then this order shall become final.