

each member of NCTA that purchased coverage under a master policy. A certificate was issued to each insured member of NCTA as evidence of the insurance purchased.

From 10/00 to 9/01, the liability and property insurance were both provided by Terra Nova under master policy number TNP52114. From 10/01 to 9/02, the liability and property insurance were both provided by Terra Nova under master policy number 186P21204. From 10/00 to 9/02, Myron F. Steves and Company (MFSC) was the managing general agent of Terra Nova for NCTA's insurance program.

From 10/25/00 to 1/5/02, MFSC issued or caused to be issued 26 certificates to persons in Oregon who were members of NCTA. MFSC received \$3,593.25 as gross commissions and retained \$1,676.85 as net commissions.

At all relevant times, MFSC was not licensed in Oregon as a nonresident insurance agent or surplus lines agent. Also, Terra Nova was not licensed in Oregon as an insurer, and was not authorized to transact insurance in Oregon as an eligible surplus lines insurer because MFSC was not licensed in Oregon as a surplus lines agent or otherwise complied with the requirements of the surplus lines law, ORS 735.400 *et seq.*

Action

Pursuant to ORS 731.988, MFSC shall pay a civil penalty of \$5,000. 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 to the Insurance Division at 350 Winter Street NE, Room 440, Salem, OR 97301-3883, or mailed to the Insurance Division at PO Box 14480, Salem, OR 97309-0405. The payment shall be received by the Insurance Division by the date of the Final Order.

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Dated August 14, 2003

/s/ Fred Steves
[Signature of Representative]

Fred Steves
[Printed Name of Representative]

Executive Director
[Printed Title of Representative]

Myron F. Steves and Company

FINAL ORDER

The director incorporates herein the above Stipulation, adopts it as the director's final decision in this proceeding, and orders that the action stated therein be taken.

Dated October 8, 2003

/s/ Cory Streisinger
Cory Streisinger
Director
Department of Consumer and Business Services

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