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

In the Matter of <b>Oregon Insurance Group, Inc.</b>	)	STIPULATION and
	)	FINAL ORDER
	)	Case No. INS 00-05-022
	)	File No. 2055 IV

#### **STIPULATION**

The Director of the Department of Consumer and Business Services (Director) commenced the above entitled administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256(1), to take action against Oregon Insurance Group, Inc. (OIG) for violating certain provisions of the Oregon Insurance Code or related administrative rules.

OIG enters into this stipulation to conclude this proceeding without further administrative or judicial proceedings pursuant to ORS 183.415(5) and Oregon Administrative Rules (OAR) 137-003-0510(3)-(4). The person signing this stipulation on behalf of OIG represents that he or she is so authorized by OIG.

OIG waives the right to receive a notice of proposed action, notice of rights and notice of judicial review, to have a hearing and to be represented by an attorney at the hearing, and to judicial review of the final order.

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

#### **Facts**

# Licensing

OIG is an Oregon corporation. C. Russell Walker is the President of OIG. OIG's business address is 712 E. Jackson Street, Medford, OR 97504. OIG has been licensed in Oregon as a resident firm or corporate agent, since June 16, 1993. OIG's license number is 806864.

# Failure to Timely Return Premium to Insured

On or about 1/19/96, OIG received from Kenneth I Tobey, Inc. (KIT) a check, number 92031, dated 1/17/96 for \$2,242.00 as payment of, among other things, the

net unearned premium of \$2,324.70 due to Gary Young (Young), then of Netarts, Oregon, as a result of the cancellation of a commercial automobile insurance policy, number KT04389390, previously issued to Young through KIT by TIG Premier Insurance Company (TIG).

On 6/26/98, after not receiving any money from OIG, Young complained to the Insurance Division.

On or about 12/4/98, after the Insurance Division interceded, OIG paid Young \$1,400 and promised to pay the balance of \$1,183 by mid 1/99.

On 3/29/99, after not receiving any more money from OIG, Young complained to the Insurance Division again.

On 4/5/99, OIG told the Insurance Division that OIG would pay half of the balance of \$933 in 4/99 and the remainder of the balance in 5/99.

On or about 5/3/99, Young informed the Insurance Division that OIG had not communicated with Young about paying the balance.

OIG paid Young \$250 on 5/10/99, in 6/99 and in 7/99 and the balance of \$183 in 9/99.

## **Ultimate Facts**

OIG failed to return the unearned premium to an insured within 30 calendar days after receiving the unearned premium.

### **Conclusions**

OIG violated OAR 836-074-025.

## Action

OIG shall pay a civil penalty of \$5,000 pursuant to ORS 731.988 on or before 12/1/00.

Dated November 7, 2000.

/s/ C. Russell Walker C. Russell Walker President Oregon Insurance Group, Inc.

#### FINAL ORDER

The Director adopts, and incorporates herein by this reference, the Facts, Ultimate Facts, Conclusions and Action in the above Stipulation as the Findings of Fact, Ultimate Findings of Fact, Conclusions of Law and Order, respectively, of this Final Order.

Dated November 15, 2000.

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

### **CERTIFICATE OF SERVICE**

I certify that on November 15, 2000 I served the above Stipulation and Final Order by mailing a copy thereof in a sealed envelope, with first class postage prepaid, to the party named therein.

/s/ Mitchel D. Curzon Mitchel D. Curzon Administrative Law Specialist Insurance Division