STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION

In the Matter of **American Family Life Assurance Company of Columbus**	)	**STIPULATION** and
	)	**FINAL ORDER**
	)	Case No. INS 04-12-005

STIPULATION

The Director of the Oregon Department of Consumer and Business Services (director) commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take enforcement action against American Family Life Assurance Company of Columbus (AFLAC).

AFLAC enters into this stipulation, pursuant to ORS 183.415(5), to conclude this proceeding without further administrative or judicial proceedings.

AFLAC waives the right to receive a notice of proposed action, receive a notice of the rights of a party and procedures in contested cases, have a hearing, be represented by an attorney at the hearing, receive a proposed order, file exceptions to the proposed order, and have the final order judicially reviewed.

AFLAC stipulates to the following facts, conclusions, and action; and consents to the issuance of a final order incorporating this stipulation.

Facts and Conclusions

Licensing Information

AFLAC has been licensed in Oregon as an insurer since 11/15/72. AFLAC's Oregon Insurance Division company number is 1906 and its NAIC identification number is 60380. AFLAC's principal business mailing address is 1932 Wynnton Road, Columbus, GA 31999-0001.

Terminated Agents Without Sufficient Notice

AFLAC violated ORS 744.081(1) in seven instances by engaging in the following conduct. ORS 744.081(1) requires an insurer that terminates an agent that is authorized to represent the insurer in Oregon to "give written notice of the termination and the date thereof to the agent at least 90 days prior to the effective

date of the termination" and "must specify the reasons for the termination." From 1/1/03 to 11/12/04, AFLAC terminated seven agents that were authorized to represent AFLAC in Oregon without giving at least 90 days written notice or without specifying the reason or both.

Action

Pursuant to ORS 731.988, AFLAC is assessed a civil penalty of $1,400. 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 the Labor and Industries Building, 350 Winter Street NE, Room 440 (4th Floor), Salem, Oregon; or mailed to the Insurance Division at PO Box 14480, Salem, OR 97309-0405. The payment is due on, and shall be received by the Insurance Division by, the date of the final order.

Dated December 30, 2004

/s/ J. Ron Hamby
[Signature of Representative]

J. Ron Hamby
[Printed Name of Representative]

2nd Vice President Compliance Department
[Printed Title of Representative]

American Family Life Assurance Company
of Columbus

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 March 8, 2005

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

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