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

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| In the Matter of **Great American Security Insurance Company** | ) | **STIPULATION** and **FINAL ORDER** |
| | ) | Case No. INS 07-08-012 |

## 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 Great American Security Insurance Company (Great American).

Great American desires to conclude this proceeding without a hearing by entering into this stipulation pursuant to ORS 183.415(5).

Great American waives all rights relative to an administrative hearing and judicial review thereof.

Great American stipulates to the following facts, conclusions, action, and to the issuance of a final order incorporating this stipulation.

## Facts and Conclusions

Licensing Information

Great American has been licensed in Oregon as a foreign insurer since 1/3/90. Great American's last recorded principal business address is located in Cincinnati, Ohio.

Filed OIGA Recoupment Assessment Certification Late

Great American is subject to enforcement action pursuant to Oregon Administrative Rules (OAR) 836-031-0855(8) because of the following circumstances. ORS 734.550 requires all insurers who are licensed in Oregon as insurers and authorized to transact generally property and casualty insurance to be members of the Oregon Insurance Guaranty Association (OIGA). ORS 734.570(3) requires OIGA to assess its member insurers an amount necessary to pay OIGA's expenses. If OIGA assesses its member insurers, then ORS 734.579(1) requires a

member insurer to recoup the assessment from its policyholders, unless OAR 836-031-0855 permits the insurer to do otherwise. If a member insurer recoups the assessment from its policyholders, then ORS 734.579(2) requires the insurer to annually certify to the director certain information about its recoupment assessment. OAR 836-031-0855(8) requires a member insurer to file a certification on a form specified by the director by June 1 of each year following the completion of a 12-month recoupment assessment period referred to in OAR 836-031-0855(6). At all relevant times, Great American was a member insurer of OIGA, was assessed by OIGA, recouped the assessment from its policyholders, completed a recoupment assessment period, and filed its certification. However, Great American filed its certification for 2006 on 6/5/07, four days late.

**Action**

Pursuant to ORS 731.988, Great American is assessed a civil penalty of $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 shall be *received* by the Insurance Division by the date of the final order.

Dated September 12, 2007

/s/ Lisa A. Pennekamp
[Signature of Representative]
Lisa A. Pennekamp
[Printed Name of Representative]
Assistant General Counsel
[Printed Title of Representative]

Great American Security Insurance Company

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## 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 September 24, 2007

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

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