

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

In the Matter of **National Union Fire Insurance Company of Pittsburgh, PA** ) **STIPULATION** and  
 ) **FINAL ORDER**  
 ) Case No. INS 08-12-005

**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 National Union Fire Insurance Company of Pittsburgh, PA (National Union Fire).

National Union Fire desires to conclude this proceeding without a hearing by entering into this stipulation pursuant to ORS 183.417(3).

National Union Fire waives all rights relative to an administrative hearing and judicial review thereof.

National Union Fire stipulates to the following facts, conclusions, action, and to the issuance of a final order incorporating this stipulation.

**Facts and Conclusions**

Licensing Information

National Union Fire has been licensed in Oregon as a foreign insurer since 9/2/1904. National Union Fire's last recorded principal business address is located in New York, New York.

Issued Group Health Insurance Policy to Unapproved Association

National Union Fire is subject to enforcement action pursuant to ORS 743.524(1) because of the following circumstances. ORS 743.524(1) prohibits an insurer from insuring or offering to insure a person in Oregon under a group health insurance policy issued to an association described in ORS 743.522(1)(b) unless the director determines that the requirements of ORS 743.522(1)(b) are satisfied. Since at least 7/1/95, National Union Fire insured at least 9,961 persons in Oregon under various group health insurance policies issued to 13 associations described in

ORS 743.522(1)(b). National Union Fire did not inform the director about the policies before issuing the policies or providing the insurance to the persons in Oregon. As a result, the director did not determine that the requirements ORS 743.522(1)(b) were satisfied.

**Action**

Pursuant to ORS 731.988, National Union Fire is assessed a civil penalty of \$65,000. 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 the Labor and Industries Building, 350 Winter Street NE, Room 440 (4<sup>th</sup> 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 1/7/09

/s/ Andrew R. Hullard

[Signature of Representative]

Andrew R. Hullard

[Printed Name of Representative]

Senior Vice President

[Printed Title of Representative]

National Union Fire Insurance Company of  
Pittsburgh, PA

**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 1/26/09

/s/ Cory Streisinger

Cory Streisinger

Director

Department of Consumer and Business Services

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