STATE OF OREGON DEPARTMENT OF CONSUMER AND BUSINESS SERVICES INSURANCE DIVISION

In the Matter of Liberty Northwest Insurance)	STIPULATION and
Corporation)	FINAL ORDER
)	Case No. INS 09-11-002

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 Liberty Northwest Insurance Corporation (Liberty Northwest).

Liberty Northwest desires to conclude this proceeding without a hearing by entering into this stipulation pursuant to ORS 183.417(3).

Liberty Northwest waives all rights relative to an administrative hearing and judicial review thereof.

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

Facts and Conclusions

Licensing Information

Liberty Northwest has been licensed in Oregon as a domestic insurer since 2/18/83. Liberty Northwest's last recorded principal business address is located in Boston, Massachusetts.

Failed to Promptly and Truthfully Respond to Director's Inquiry

Liberty Northwest is subject to enforcement action pursuant to ORS 731.296 because of the following circumstances. ORS 731.296 requires a person that is licensed in Oregon in any capacity under the Insurance Code to promptly and truthfully respond to an inquiry from the director. On 4/23/09, the Insurance Division, on behalf of the director, sent a letter to Liberty Northwest requesting certain information in a particular form by 5/15/09. On unknown date but by 4/30/09, Liberty Northwest received the letter. On 6/4/09, when Liberty Northwest

did not respond, the Insurance Division sent to Liberty Northwest a follow up letter continuing to request the information. On an unknown date, Liberty Northwest received the follow up letter. On an unknown date between 6/4/09 and 6/17/09, the Insurance Division held a conference call with Liberty Northwest, during which the Insurance Division continued to request the information. On 6/19/09, the Insurance Division received from Liberty Northwest a letter dated 6/17/09 explaining why Liberty Northwest believed it did not need to provide the information in the form requested. On 7/23/09, the Insurance Division held a conference call with Liberty Northwest, during which the Insurance Division continued to request the information but agreed that Liberty Northwest could provide it in a different form. The Insurance Division did not specify a due date for the information. On 8/12/09, when Liberty Northwest did not further respond, the Insurance Division called Liberty Northwest continuing to request the information. On 8/28/09, when Liberty Northwest did not further respond, the Insurance Division sent to Liberty Northwest a follow up letter continuing to request the information. On an unknown date but by early September 2009, Liberty Northwest received the follow up letter. On 10/2/09, when Liberty Northwest did not further respond, the Insurance Division called Liberty Northwest continuing to request the information. On 10/5/09, the Insurance Division received from Liberty Northwest a letter dated 9/10/09 providing the information.

Action

Pursuant to ORS 731.988(1), Liberty Northwest is assessed a civil penalty of \$5,000.00. 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 or mailed to the Insurance Division at the Labor and Industries Building, 350 Winter Street NE Room 300, Salem, Oregon 97301-3880; 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 11/24/09 /s/ Joanne Connolly [Signature of Representative]

Joanne Connolly

[Printed Name of Representative]

Assistant Technical Controller

[Printed Title of Representative]

Liberty Northwest Insurance Corporation

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 12/15/09 /s/ Cory Streisinger Cory Streisinger

Director

Department of Consumer and Business Services

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