STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of NATIONAL FIRE & MARINE INSURANCE COMPANY, Respondent.	Case No. INS-17-0145 ORDER TO CEASE AND DESIST, FINAL ORDER ASSESSING CIVIL PENALTY AND CONSENT TO ENTRY OF ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), acting in accordance with Oregon Revised Statutes ("ORS") chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 743B, 744, 746, 748 and 750 ("Insurance Code") has commenced this administrative proceeding, pursuant to ORS 731.296, to take enforcement action against National Fire & Marine Insurance Company ("Respondent"); and

WHEREAS Respondent wishes to resolve and settle this matter with the Director,

NOW THEREFORE, as evidenced by the authorized signatures subscribed on this Order, Respondent hereby CONSENTS to entry of this Order upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter.

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

FINDINGS OF FACT

The Director FINDS that:

1. Respondent is a surplus lines carrier with its principal place of business at 1314 Douglas Street, Suite 1400, Omaha, NE 68102-1944. Respondent's National Association of Insurance Commissioners number is 20079.

2. On April 3, 2014, the Oregon Insurance Division, now the Division of Financial Regulation ("Division"), sent a letter (the "Letter") to Respondent requesting,

among other things, an Excel spreadsheet with all Respondent's Oregon claims from January 1, 2011 through April 1, 2014. The Division set a response deadline of May 1, 2014.

3. Respondent did not respond to the Letter on or before May 1, 2014.

4. On April 7, 2017, the Division sent a second copy of the Letter to Respondent.

5. Respondent responded to the Letter on May 8, 2017. The response did not contain the requested Excel spreadsheet.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

6. Pursuant to ORS 731.252(1), whenever the Director has reason to believe that any person has been engaged or is engaging or is about to engage in any violation of the Insurance Code, the Director may issue an order, directed to such person, to discontinue or desist from such violation or threatened violation.

7. Pursuant to ORS 731.296, the Director may address any proper inquiries to any insurer, licensee or its officers in relation to its activities or condition or any other matter connected with its transactions. Any such person so addressed shall promptly reply to such inquiries using the form of communication requested by the director.

8. Respondent violated ORS 731.296 as described in Paragraph 2 through Paragraph 5.

9. Pursuant to ORS 735.420(1)(c), the Director may declare a surplus lines insurer ineligible if the Director has reason to believe that the surplus lines insurer has willfully violated the laws of this state.

10. Pursuant to ORS 731.988(1) the Director may impose a civil penalty of up to $10,000 per violation upon any person that violates any provision of the Insurance Code or any lawful rule or final order of the Director.

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ORDERS

Now, therefore, the Director issues the following ORDERS:

11. As authorized by ORS 731.252(1), the Director ORDERS Respondent to CEASE AND DESIST from violating any provision of the Insurance Code or the administrative rules promulgated thereunder.

12. Based upon the foregoing and as authorized by ORS 731.988(1), the Director ORDERS that Respondent pay a CIVIL PENALTY of $3,000 for violating ORS 731.296.

13. The $3,000 CIVIL PENALTY assessed above is due and payable at the time this Order is returned to the Division.

SO ORDERED this 2nd day of January, 2018.

CAMERON C. SMITH, Acting Director
Department of Consumer and Business Services

/s/ David Tatman
David C. Tatman, Chief of Enforcement
Division of Financial Regulation

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CONSENT TO ENTRY OF ORDER

I, Nancy F. Peters, state that I am an officer of National Fire & Marine Insurance Company and I am authorized to act on its behalf. I have read the foregoing Order, and I know and fully understand the contents hereof. I have been advised of the right to a hearing and of the right to be represented by counsel in this matter. National Fire & Marine Insurance Company voluntarily and without any force or duress consents to the entry of this Order expressly waiving any right to a hearing in this matter. National Fire & Marine Insurance Company understands that the Director reserves the right to take further actions to enforce this Order or to take appropriate action upon discovery of other violations of the Insurance Code. National Fire & Marine Insurance Company will fully comply with the terms and conditions stated herein.

National Fire & Marine Insurance Company understands that this Order is a public document.

/s/ Nancy F. Peters
Signature

Nancy F. Peters
Printed name

Vice President
Office held

ACKNOWLEDGMENT

There appeared before me this 15 day of December, 2017, Nancy F. Peters, who was first duly sworn on oath, and stated that she/he was and is an officer of National Fire & Marine Insurance Company and that she/he is authorized and empowered to sign this Consent to Entry of Order on behalf of National Fire & Marine Insurance Company and to bind National Fire & Marine Insurance Company to the terms hereof.

Brennan Neville
Signature of Notary Public

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