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

In the Matter of:	Case No. INS-16-0104
VIKING INSURANCE OF WISCONSIN, Respondent.	FINAL ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTIES, AND CONSENT TO ENTRY OF ORDER

WHEREAS the Director of the Department of Consumer and Business Services for the State of Oregon (hereinafter "the Director") conducted an investigation of Viking Insurance Company of Wisconsin ("Viking") and determined that Viking engaged in an activity that constitutes a violation of the Oregon Revised Statutes ("ORS") Chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 744, 746, 748 and 750 ("Insurance Code"),

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

NOW THEREFORE, as evidenced by the authorized signature subscribed on this order, Viking 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. Viking has been licensed by the Director, by and through the Division of Financial Regulation, previously known as the Insurance Division, (hereinafter the "Division") as an Oregon insurance producer since October 15, 1973, NAIC #13137.

2. From at least November 2005 through October 2015, Viking retained refunds totaling less than $5.00 ("refund threshold") owed to 209 Oregon policyholders ("Oregon insureds").

3. Viking did not provide any notice, written or otherwise, to the Oregon

insureds informing them of its refund threshold practice.

4. The Division contacted Viking regarding this practice and, as of November 2, 2015, Viking issued refunds to all Oregon insureds affected. Along with the refunds, Viking issued a notice stating that premium refunds were incorrectly withheld after the policyholders' cancellation requests.

5. As of the date of this order, Viking filed an amendment to the Agent Guide, added a disclosure to premium billing and renewal notices, amended the Rate and Rule Guide and added appropriate language to the policy notices to reflect the refund threshold.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

6. By failing to specify the terms of the refund threshold, which is a condition or provision pertaining to insurance, in the Oregon insureds' policies from November 2005 through October 2015, Viking violated ORS 742.023(1)(f).

7. By retaining refunds under $5.00 from premiums owed to Oregon insureds on their policies without giving notice of this practice, Viking willfully collected a sum as a premium which was not then provided under an insurance policy issued by an insured in conformity with the Oregon Insurance Code, in violation of ORS 746.120.

ORDERS

Now therefore, the Director issues the following Orders:

1. Pursuant to ORS 731.252(1), the Director ORDERS Viking to CEASE AND DESIST from violating any provision of the Insurance Code or the administrative rules promulgated thereunder.

2. Pursuant to ORS 731.988, the Director may assess civil penalties of up to $10,000 for each violation of the Oregon Insurance Code.

3. The Director hereby orders Respondent a civil penalty of $20,000 for the violations of 742.023(1)(f) and ORS 746.120.

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SO ORDERED this 17th day of December, 2018.

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

/s/ Dorothy Bean

Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

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ENTITY CONSENT TO ENTRY OF ORDER

I, Kip J. Kobussen, state that I am an officer of Viking, and I am authorized to act on its behalf. I have read the foregoing order and that 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. Viking voluntarily and without any force or duress consents to the entry of this order expressly waiving any right to a hearing in this matter. Viking 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 Oregon Mortgage Lender Law. Viking will fully comply with the terms and conditions stated herein.

Viking further assures the Director that neither Viking nor its officers, directors, employees, or agents will effect mortgage transactions in Oregon unless such activities are in full compliance with the Oregon Insurance Code. Viking, understands that this Consent Order is a public document.

Dated this 30th day of November, 2018.

By /s/ Kip J. Kobussen

Kip J. Kobussen, Secretary

Office Held

/s/ Wendy S. Whitrock
Notary Public for the State of: Wisconsin

My commission expires: 6/7/2019

Subscribed and sworn before me on Nov. 30, 2018

My commission expires: 6/7/2019

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