

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

In the Matter of:

Case No. INS-21-0046

AMERICAN BANKERS INSURANCE  
COMPANY OF FLORIDA,

Respondent.

ORDER TO CEASE AND DESIST,  
FINAL ORDER ASSESSING CIVIL  
PENALTY AND CONSENT TO  
ENTRY OF ORDER

THIS IS A FINAL 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 conducted an investigation into the insurance related activities of American Bankers Insurance Company of Florida (“Respondent”).

Respondent submits to the Director’s jurisdiction and agrees to waive its rights to notice and an administrative hearing that arise under ORS 183.415 and wishes to resolve this matter by consenting to entry of this Final Order.

Now, therefore, as evidenced by the authorized signatures subscribed on this document, the Director issues the following Findings of Fact, Conclusions of Law, and Final Order.

FINDINGS OF FACT

The Director FINDS that:

1. Respondent has been licensed as a foreign insurer since November 18, 1953 and provides property and casualty products in Oregon. Respondent’s principle place of

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





1 business is 11222 Quail Roost Drive, Miami, FL 33157. Respondent’s National  
2 Association of Insurance Commissioners company code is 10111.

3 2. On October 9, 2020, Oregon consumer hereinafter referred to as “T.B.” filed a  
4 consumer complaint with the Oregon Division of Financial Regulation (“Division”) against  
5 Respondent.

6 3. While investigating T.B.’s complaint, a Consumer Advocate with the Division  
7 discovered a claim communication letter (“Original Letter”) from Respondent to T.B.  
8 stating that “...the policy states that no suit can be brought against us unless there has been  
9 compliance with the policy provisions and the action is started within one year after the  
10 loss.”

11 4. After reviewing the Letter, on November 4, 2020, a Market Analyst with the  
12 Division informed Respondent via email that the Director had not approved any form for  
13 Respondent that required an action to be brought within one year after the loss.<sup>1</sup>  
14 Additionally, the Market Analyst requested from Respondent a list of all Oregon  
15 consumers that received the Original Letter.

16 5. On November 9, 2020, Respondent provided the requested list to the Division,  
17 which revealed that, from April 30, 2018 through November 7, 2020, Respondent sent 317  
18 Original Letters to 279 insureds (“Affected Insureds”).

19 6. Upon learning about the incorrect Original Letter, Respondent ceased usage and  
20 implemented a revised corrected letter (“Updated Letter”) to reflect the proper policy  
21 terms. Respondent sent the Updated Letter to the Affected Insureds whose claim was either  
22 closed or denied.

23 7. As of the effective date of this order, Respondent has confirmed to the Division  
24 that the Updated Letter has been implemented for future usage and that the Updated Letter

25 \_\_\_\_\_  
26 <sup>1</sup> Respondent’s approved policy form AJ9468PPC-0607 states that “[n]o action shall apply against us unless  
the action is brought within two years from the date when you discover the loss.”

1 was sent to the Affected Insureds.

2  
3 CONCLUSIONS OF LAW

4 The Director CONCLUDES that:

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

9 9. Pursuant to ORS 742.003(1), except where otherwise provided by law, no basic  
10 policy form, or application form where written application is required and is to be made a  
11 part of the policy, or rider, indorsement or renewal certificate form shall be delivered or  
12 issued for delivery in this state until the form has been filed with and approved by the  
13 Director.

14 10. Pursuant to ORS 746.230(1)(a), an insurer may not commit the unfair claim  
15 settlement practice of misrepresenting facts or policy provisions in settling claims.

16 11. Respondent violated ORS 746.230(1)(a) on 317 occasions by misrepresenting  
17 that no suit could be brought against Respondent unless the action was started within one  
18 year after the loss as described in Paragraphs three through five above.

19 12. Pursuant to ORS 731.988(1), the Director may assess CIVIL PENALTIES in  
20 an amount not to exceed \$10,000 per violation against a person who violates any provision  
21 of the Insurance Code or any lawful rule of the Director.

22  
23 ORDERS

24 Now therefore, the Director issues the following Orders:

25 13. As authorized by ORS 731.252(1), the Director ORDERS Respondent to  
26 CEASE AND DESIST from violating ORS 746.230(1)(a).

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1 14. Based upon the foregoing and as authorized by ORS 731.988(1), the Director  
2 ORDERS that Respondent pay a CIVIL PENALTY of \$20,000 for 317 violations of ORS  
3 746.230(1)(a).

4 15. The \$20,000 CIVIL PENALTY assessed herein is due and payable at the time  
5 this Order is returned to the Director.

6 16. This Order is a “Final Order” under ORS 183.310(6)(b). Subject to that  
7 provision, entry of this Order in no way limits or prevents further remedies, sanctions, or  
8 actions which may be available to the Director under Oregon law to enforce this Order, for  
9 violations of this Order, for conduct or actions of Respondent that are not covered by this  
10 Order, or against any party not covered by this Order.

11  
12 SO ORDERED this 9<sup>th</sup> day of November, 2021.

13 ANDREW R. STOLFI, Director  
14 Department of Consumer and Business Services

15  
16 /s/ Dorothy Bean  
Dorothy Bean, Chief of Enforcement  
17 Division of Financial Regulation

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1 CONSENT TO ENTRY OF ORDER

2 I, Diana Olsen, state that I am an officer of American  
3 Bankers Insurance Company of Florida and I am authorized to act on its behalf. I have  
4 read the foregoing Order, and I know and fully understand the contents hereof. I have been  
5 advised of the right to a hearing and of the right to be represented by counsel in this matter.  
6 American Bankers Insurance Company of Florida voluntarily and without any force or  
7 duress consents to the entry of this Order expressly waiving any right to a hearing in this  
8 matter. American Bankers Insurance Company of Florida understands that the Director  
9 reserves the right to take further actions to enforce this Order or to take appropriate action  
10 upon discovery of other violations of the Insurance Code. American Bankers Insurance  
11 Company of Florida will fully comply with the terms and conditions stated herein.

12 American Bankers Insurance Company of Florida understands that this Order is a  
13 public document.

14 E-SIGNED by Diana Olsen  
15 On 2021-10-14 15:36:07 GMT October 14, 2021  
16 Signature Date

17 Diana Olsen  
18 Printed name

19 Vice President  
20 Office held

21 ACKNOWLEDGMENT

22 There appeared before me this 14<sup>th</sup> day of October, 2021,  
23 Diana Olsen, who was first duly sworn on oath, and stated that  
24 she/he was and is an officer of American Bankers Insurance Company of Florida and that  
25 he is authorized and empowered to sign this Consent to Entry of Order on behalf of  
26 American Bankers Insurance Company of Florida and to bind American Bankers  
Insurance Company of Florida to the terms hereof.

E-SIGNED by Teresa Martinez  
On 2021-10-14 15:36:44 GMT  
Signature of Notary Public

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