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FILED

AUG 21 2023

**Department of Insurance
State of Idaho**

Attorneys for Idaho Department of Insurance

Before the Director of the Department of Insurance

State of Idaho

Idaho Department of Insurance,

Complainant,

vs.

American Compensation Insurance
Company, a Minnesota corporation
holding Idaho Certificate of Authority
No. 3863,

Respondent.

Docket No. 18-4301-23

Stipulation and Final Order

The Idaho Department of Insurance (“Department”) and American Compensation Insurance Company (“Respondent”) do hereby agree and stipulate as follows:

Findings of Fact

1. Respondent is a Minnesota insurance corporation holding Idaho Certificate of Authority No. 6863. Respondent is subject to the provisions of title 41,

Idaho Code, and to the rules of the Idaho Department of Insurance promulgated thereunder.

2. The Director of the Department (“Director”) has jurisdiction over Respondent and the subject matter herein pursuant to the Idaho Insurance Code, Idaho Code §§ 41-101 *et seq.*

3. On July 6, 2023, the Department filed a Verified Complaint and Notice of Right to Hearing, Docket Number 18-4301-23 (“Complaint”), seeking suspension of Respondent’s Certificate of Authority and imposition of administrative penalties.

4. Among the allegations in the Complaint were that Respondent violated Idaho Code § 41-3610(2)(a) by failing to pay an insolvency assessment fee on or before its due date.

Conclusions of Law

5. Idaho Code § 41-3610(2)(a) provides that the Director may, after notice and hearing, suspend or revoke the Certificate of Authority to transact insurance in this state of any member insurer which fails to pay an assessment fee when due or fails to comply with the plan of operation. As an alternative, the Director may levy a fine on any member insurer which fails to pay an assessment fee when due. Such fine shall not exceed five per cent (5%) of the unpaid assessment per month, except that no fine shall be less than one hundred dollars (\$100) per month.

6. Idaho Code § 41-117 states that each instance of violation may be treated as a separate offense.

7. The parties agree that this matter may be brought to a close by a negotiated and stipulated settlement and entry of this Stipulation and Final Order.

Agreement

8. Based upon the foregoing, Respondent and the Department stipulate and agree as follows:

- a. Respondent admits to one violation of Idaho Code § 41-3610(2)(a).
- b. As sanction for the violations referenced above, Respondent and the Department agree to the penalties set forth below and agree that the Director may enter the Final Order which provides as follows:
 - i. That the Stipulation be adopted in full and incorporated into the Final Order; and
 - ii. That Respondent shall pay an administrative penalty of seven hundred dollars (\$700).

9. By entering into this Stipulation, Respondent knowingly and voluntarily waives any rights it would otherwise have to notice and a hearing at which it may be represented by counsel, present evidence, and examine witnesses. The parties hereto further waive their right of reconsideration, appeal, and other rights as set forth in title 67, chapter 52, Idaho Code, including the right to submit this matter for review by a court of competent jurisdiction.

10. The parties agree that the terms of this Stipulation and Final Order are appropriate and proper under the circumstances referenced herein.

11. Respondent acknowledges that it has read this Stipulation and Final Order and understands its contents; that it has been given the opportunity to discuss this Stipulation and Final Order with independent legal counsel of its choosing; and that it has entered into this Stipulation knowingly, voluntarily, and with full

knowledge of any rights it may be waiving thereby.

12. Respondent acknowledges that this is an administrative action that may be required to be reported on license applications and license renewal forms and disclosed to other agencies through which Respondent holds a license.

13. This Stipulation is subject to approval by the Director or the Director's designee and shall become effective and binding upon the Department and Respondent upon such approval. Should the Director decline to approve this Stipulation and Final Order, the Department and Respondent shall retain all of their rights, claims and/or defenses, and any factual and/or legal admissions made by Respondent herein shall be withdrawn.

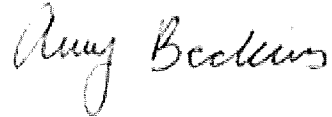
14. This Stipulation constitutes the full and final resolution of all matters addressed herein, and the Department agrees that, subject to the Director's approval described above, the Department shall seek no further civil or administrative sanctions for the violations alleged in the Complaint, subject to the agreement set forth in Paragraph 8 above.

15. Respondent agrees that, upon execution of this Stipulation and Final Order, no subsequent action or assertion shall be maintained or pursued in any manner asserting the invalidity of this Stipulation and Final Order and its provisions.

16. This Stipulation and Final Order embodies the entire agreement between the Department and Respondent, and there are no agreements, understandings, representations, or warranties that are not expressly set forth herein.

17. Upon the Director's entry of the Final Order approving this stipulation, this Stipulation and Final Order shall be a public record under the Idaho Public Records Act.

Agreed this 17 day of August, 2023.



American Compensation Insurance Company

Approved as to Form and Content:



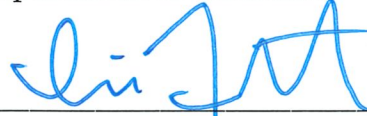
Amy Beckius

Sr. Director, State Operations

American Compensation Insurance Company

Agreed this 21 day of August, 2023.

State of Idaho
Department of Insurance



Eric Fletcher
Bureau Chief, Company Activities

Approved as to Form and Content:

State of Idaho
Office of the Attorney General



Michael Witry
Deputy Attorney General
Attorney for the Department of Insurance

Final Order

The parties hereto, namely the Idaho Department of Insurance and American Compensation Insurance Company ("Respondent") having entered into the foregoing Stipulation, and the form of the order having been approved, the Director, having reviewed the same, does hereby find that there is a factual basis for entry of a Final Order herein and does hereby conclude that Respondent did violate title 41, Idaho Code, as stated in the Stipulation.

Now, therefore, based on the foregoing and in consideration of the premises,

It is hereby ordered that the foregoing Stipulation is approved and is incorporated herein as if set forth in full and made a part hereof;

It is further ordered that Respondent is assessed an administrative penalty of seven hundred dollars (\$700).

Dated this 21 day of August, 2023.

State of Idaho
Department of Insurance



Dean L. Cameron
Director

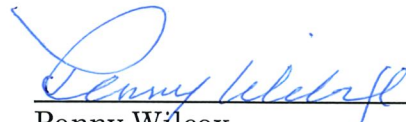
Notice Regarding Reportable Proceedings

The foregoing is considered a reportable administrative proceeding. As such, it is a public record and is public information that may be disclosed to other states and reported to companies for which you are actively appointed. This information will be reported to the National Association of Insurance Commissioners (NAIC) and will appear in the online searchable database of the Idaho Department of Insurance. You should be aware that this proceeding must be disclosed on any insurance license application and must be reported to any and all states in which you hold an insurance license.

Certificate of Service

I hereby certify that on this 22nd day of August, 2023, I caused a true and correct copy of the Stipulation and Final Order to be served upon the following parties by the method(s) indicated below:

<p>Sean F. O'Connor American Compensation Insurance Company 175 Berkeley St. Boston, MA 02116</p> <p><i>Counsel for American Compensation Insurance Company</i></p>	<p><input checked="" type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email: sean.oconnor@libertymutual.com</p>
<p>Michael Witry Deputy Attorney General Idaho Department of Insurance 700 W. State St., 3rd Floor Boise, ID 83720-0043</p> <p><i>Counsel for the Department of Insurance</i></p>	<p><input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email: michael.witry@doi.idaho.gov</p>
<p>American Compensation Insurance Company 518 E. Broad St. Columbus, OH</p>	<p><input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email: corporateaccounting@stateauto.com</p>



Penny Wilcox