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JUL 31 2025

Department of Insurance  
State of Idaho

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Attorney General

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*Attorneys for the Department of Insurance*

**Before the Director of the Department of Insurance  
State of Idaho**

Idaho Department of Insurance,  
  
Complainant,

vs.

Federal Life Insurance Company, an  
Illinois insurance company holding  
Idaho Certificate of Authority No. 965,  
SBS No. 149524913,

Respondent.

Docket No. 18-4631-25

**Stipulation and Final Order**

*Come now* the staff of the Idaho Department of Insurance (“Department”) and Federal Life Insurance Company (hereinafter “Federal Life”) and do hereby agree and stipulate as follows:

**Findings of Fact**

1. Federal Life is an Illinois-domiciled insurer authorized to transact

certain lines of insurance in the state of Idaho pursuant to Idaho Certificate of Authority No. 965, initially issued on December 20, 1971. Federal Life 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 Federal Life and the subject matter herein pursuant to provisions of the Idaho Insurance Code, Idaho Code §§ 41-101 *et seq.*

3. On May 27, 2025, the Department filed a Verified Complaint and Notice of Right to Hearing (hereinafter “Verified Complaint”), seeking imposition of administrative penalties.

4. 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**

5. Based upon the foregoing, Federal Life and the Department stipulate and agree as follows:

- a. Federal Life admits to violating Idaho Code § 41-1812(1).
- b. Federal Life and the Department agree that Federal Life should pay an administrative penalty of \$38,000.
- c. Federal Life and the Department agree that, upon payment of the administrative penalty, this action should be dismissed with prejudice.

6. By entering into this Stipulation, Federal Life knowingly and voluntarily waives any rights it would otherwise have to notice and a hearing at

which he 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.

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

8. Federal Life 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.

9. Federal Life 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 Federal Life holds a license.

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

11. 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 Verified Complaint, Docket No. 18-4631-25, subject to the agreement set forth in Paragraph 5 above.

12. Federal Life 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 Order Dismissing Action and its provisions.

13. Federal Life stipulates and agrees that the dismissal with prejudice of the above-entitled action:

- a. Does not in any way negate its admission herein of violations of title 41, Idaho Code, as stated above;
- b. Does not negate the continued effectiveness of the Order; and
- c. Does not impair the Department's right to exercise any of its remedies if Federal Life violates the terms of the Stipulation and Final Order.


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

15. 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.

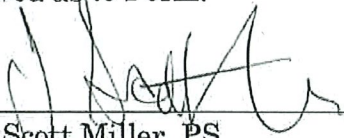


Agreed this 30th day of July, 2025.

FEDERAL LIFE INSURANCE COMPANY

By:   
Its: Chief Operating Officer

Approved as to Form:

  
J. Scott Miller, PS  
Attorney for Federal Life Insurance Company


Agreed this 31<sup>st</sup> day of July, 2025.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE

By:   
Shannon Hohl  
Bureau Chief  
Market Oversight Bureau

Approved as to Form:

STATE OF IDAHO  
OFFICE OF THE ATTORNEY GENERAL

By:   
Michael Witry  
Deputy Attorney General  
Attorney for the Department of Insurance

## Final Order

The parties hereto, namely the Idaho Department of Insurance and Federal Life Insurance Company, 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.

*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 an administrative penalty of \$38,000 is assessed against Federal Life Insurance Company;

*It is further ordered* that, upon payment of the administrative penalty referenced above, this action is hereby *dismissed*; and

*It is further ordered* that the dismissal with prejudice of this action does not negate Federal Life Insurance Company's admission that it violated certain sections of title 41, Idaho Code; does not negate the continued effectiveness of this Order; and does not impair the Department's right to exercise any available remedy if Federal Life Insurance Company violates this Order.

Dated this 31<sup>st</sup> day of July, 2025.

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 31<sup>st</sup> day of July, 2025, I caused a true and correct copy of the foregoing, fully-executed Stipulation and Order Dismissing Action to be served upon the following by the designated means:

J. Scott Miller  
Law Offices of J. Scott Miller, PS  
421 W Riverside Ave, Ste 616  
Spokane, WA 99201

- first class mail
- certified mail
- hand delivery
- via facsimile
- email to  
jscottmiller@jscottmiller.com

Alex Gonzales  
Gonzales Taplin, PA  
PO Box 171267  
Austin, TX 78717

- first class mail
- certified mail
- hand delivery
- via facsimile
- email to  
agonzales@gonzalestaplin.com

Michael Witry  
Deputy Attorney General  
Idaho Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
P.O. Box 83720  
Boise, ID 83720-0043

- first class mail
- certified mail
- hand delivery
- via facsimile
- email to  
michael.witry@doi.idaho.gov

  
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Jan Noriyuki