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RECEIVED

FEB 27 2010

UTAH STATE
INSURANCE DEPT

BEFORE THE INSURANCE COMMISSIONER
OF THE STATE OF UTAH

COMPLAINANT:

UTAH INSURANCE DEPARTMENT

RESPONDENT:

OLD AMERICAN INSURANCE CO.
Attn: Gary Hoffman
3520 Broadway
Kansas City, Missouri 64111-2565
Utah Company Id No. 589

STIPULATION AND ORDER

Docket No. 2010-033 LF

Enf. Case No. 2468

STIPULATION

1. Respondent, Old American Insurance Co. is an insurer domiciled in the State of Missouri and authorized to do business in the State of Utah.

2. Respondent stipulates with the Complainant, Utah Insurance Department, as follows:

- a. If a hearing were held, witnesses called by the Complainant could offer and introduce evidence that would support the Findings of Fact herein;
- b. Respondent admits the Findings of fact and Conclusions made therefrom;

- c. Respondent stipulates to the Summary entry of the Order herein which shall be in lieu of other administrative proceedings by Complainant in this matter; and
- d. Respondent and Complainant have negotiated the terms of the Order entered herein and Respondent agrees to its entry and further agrees to be bound by all its terms.

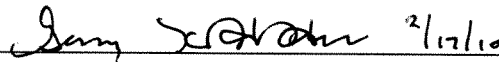
3. Respondent is aware of its right to a hearing at which it may be represented by counsel, present evidence and cross-examine witnesses. Respondent has irrevocably waived its right to such hearing and to any appeal related thereto.

4. Respondent admits the jurisdiction of the State of Utah Insurance Commissioner as to all matters herein.

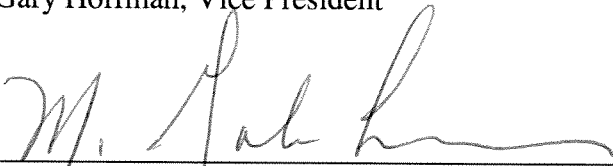
5. Respondent is acting herein free from any duress or coercion of any kind or nature, having been advised fully as to its rights set forth herein.

6. Respondent acknowledges that the issuance of this Order by the Commissioner is solely for purpose of disposition of the matter entitled herein.

DATED this 22nd day of February, 2010.



OLD AMERICAN INSURANCE CO.
Gary Hoffman, Vice President



UTAH INSURANCE DEPARTMENT
M. Gale Lemmon
Assistant Attorney General

Based upon the foregoing Stipulation and information in the file, the Presiding Office makes the following Findings of Fact:

FINDINGS OF FACT

1. Respondent Old American Insurance Co. is authorized to do business in the State of Utah.

2. In December 2008, Eric Showgren, a financial examiner for the UID, received an advertisement in the mail from the Respondent. After examining the material and an investigative review, the following facts were found:

a. The envelope containing the advertisement appeared to be from a governmental agency (Social Security), but upon examination of the material inside, it was an advertisement for Respondent, Old American Insurance Co.

b. Since April 2008, Respondent has mailed 57,851 advertisements in Utah, resulting in approximately 650 inquiries. Respondent states that approximately 150 life policies were placed due to the advertisement.

Based upon the foregoing Stipulation and Findings of Fact, the Presiding Officer enters the following Conclusions of Law:

CONCLUSIONS OF LAW

1. Utah Code Ann. § 31A-23a-401(1)(a)(I) (West 2009) states:

Any of the following may not make or cause to be made any communication that contains false or misleading information, relating to an insurance product or contract, any insurer, or any license under this title, including information that is false or misleading because it is incomplete ;

...

(iii) A licensee under this title may not..

(B) use any advertisement or other insurance promotional material that would cause a reasonable person to mistakenly believe that a state or federal government agency: . . .

2. Department of Insurance Rule R590-130-12(C) states:

Advertisements, envelopes, or stationery which employs words, letters, initials, symbols or other devices which are so similar to those used in governmental agencies or by other insurers are not permitted if they may lead the public to believe: . . .

3. By using envelopes that would cause a reasonable recipient to believe it to be from a governmental agency, Respondent was in violation of the above statutory and rule provisions.

4. Because the prohibited advertisements generated inquiries and sales policies for Respondent, an administrative forfeiture of \$22,500.00 is appropriate under the circumstances.

Based upon the foregoing Stipulation, Findings of Fact and Conclusions of Law, the Presiding Officer herewith enters the following Order:

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ORDER

IT IS HEREBY ORDERED:

Respondent Old American Insurance Co. is assessed a forfeiture of \$22,500.00 to be paid to the Utah Department of Insurance within 30 days of issuance of this Order.

DATED this 23rd day of February, 2010.

NEAL T. GOOCH
Acting Insurance Commissioner



MARK E. KLEINFELD
Administrative Law Judge
Utah Insurance Department
State Office Building, Room 3110
Salt Lake City, Utah 84114
Telephone: (801) 538-3800

CERTIFICATE OF MAILING

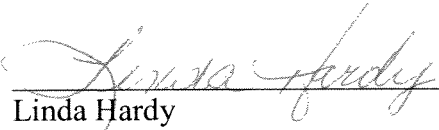
I do hereby certify that on this date I mailed, by regular mail, postage prepaid, a true and correct copy of the attached:

STIPULATION & ORDER

To the following:

Old American Insurance Company
Attn: Gary Hoffman
3520 Broadway
Kansas City, MO 64111-2565

DATED this 23rd day of February 2010.



Linda Hardy
Utah Department of Insurance
State Office Building, Room 3110
Salt Lake City, UT 84114-6901

**UTAH
Invoice - Original**

Printed Date: February 23, 2010
Invoice Date: February 23, 2010
Balance Due: \$22,500.00
Due Date: March 23 - 2010
Invoice ID: 451429
NAIC ID: 67199
Payor ID: 589

DAVID A LAIRD
OLD AMERICAN INSURANCE COMPANY
3520 BROADWAY
KANSAS CITY MO 64111-2565

Item Description	Amount
2/23/2010 Monetary Penalty Company E-Case 2468 Docket 2010-033 HL	\$22,500.00
Original Amount Due	<u>\$22,500.00</u>

**UTAH
Invoice - Original**

Invoice Date: February 23, 2010
Balance Due: \$22,500.00
Due Date: March 30, 2010
Invoice ID: 451429
Payor ID: 589
Payor Name: OLD AMERICAN
INSURANCE
COMPANY

Make checks payable to: Utah Insurance Department

Send payment to:

Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114-6901