



DEPARTMENT OF COMMERCE & INSURANCE

P.O. Box 690, Jefferson City, Mo. 65102-0690

In Re:

OAK RIVER INSURANCE COMPANY
(NAIC # 34630)

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Market Conduct Investigation No. 258171

ORDER OF THE DIRECTOR

NOW, on this 28th day of May, 2024, Director, Chlora Lindley-Myers, after consideration and review of the Stipulation of Settlement (hereinafter “Stipulation”) entered into by the Division of Insurance Market Regulation (hereinafter “Division”), and Oak River Insurance Company (NAIC #34630) (hereinafter “Oak River”), relating to the market conduct investigation no. 258171, does hereby issue the following orders:

This order, issued pursuant to §374.046.15¹ and §374.280 is in the public interest.

IT IS THEREFORE ORDERED that Oak River and the Division having agreed to the Stipulation, the Director does hereby approve and agree to the Stipulation.

IT IS FURTHER ORDERED that Oak River shall not engage in any of the violations of statutes and regulations set forth in the Stipulation, shall implement procedures to place it in full compliance with the requirements in the Stipulation and the statutes and regulations of the State of Missouri, shall maintain those corrective actions at all times, and shall fully comply with all terms of the Stipulation.

¹ All references, unless otherwise noted, are to Revised Statutes of Missouri 2016.

IT IS SO ORDERED.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of my office in Jefferson City, Missouri, this 28th day of May, 2024.



Chlora Lindley Myers
Chlora Lindley-Myers
Director

**IN THE DEPARTMENT OF COMMERCE AND INSURANCE
STATE OF MISSOURI**

In Re:)
)
OAK RIVER INSURANCE COMPANY) **Market Conduct Investigation No. 258171**
(NAIC # 34630))

STIPULATION OF SETTLEMENT

It is hereby stipulated and agreed by the Division of Insurance Market Regulation (hereinafter the “Division”), and Oak River Insurance Company (NAIC #34630) (hereinafter “Oak River”), as follows:

WHEREAS, the Division is a unit of the Missouri Department of Commerce and Insurance (hereinafter the “Department”), an agency of the State of Missouri, created and established for administering and enforcing all laws in relation to insurance companies doing business in the State of Missouri;

WHEREAS, Oak River has been granted a certificate of authority to transact the business of insurance in the State of Missouri;

WHEREAS, the Division conducted a market conduct investigation of Oak River, Investigation No. 258171; and

WHEREAS, based on the market conduct investigation of Oak River the Division alleges that:

1. Oak River omitted to clearly disclose at renewal the relationship between the Stated Value of a vehicle and the premium charged for the coverage implicating the provisions of §375.936 (6) (a)¹.

2. In one instance, Oak River paid less than the stated value limit for a covered vehicle that suffered a total loss in violation of §374.140.

WHEREAS, the Division and Oak River have agreed to resolve the issues raised in the market conduct examination as follows:

A. **Scope of Agreement.** This Stipulation of Settlement (hereinafter “Stipulation”) embodies the entire agreement and understanding of the signatories with respect to the subject matter contained herein. The signatories hereby declare and represent that no promise, inducement or agreement not herein expressed has been made, and acknowledge that the terms and conditions of this agreement are contractual and not a mere recital.

B. **Remedial Action.** Oak River agrees to take remedial action bringing it into compliance with the statutes and regulations of Missouri and agrees to maintain those remedial actions at all times. Such remedial actions shall include the following:

1. Oak River agrees to revise its written notices to commercial insureds at renewal to clearly delineate to the insured that a reduction in the Stated Value amount of the vehicle due to depreciation or other factors may result in a reduction of premium. Oak River further agrees to submit the revised written notice to the Division for review and approval prior to use.

2. Oak River agrees that it will pay all automobile total loss claims, including payment for all sales taxes relating to such claims, according to the terms of its policy provisions.

3. Oak River agrees to reimburse all claimants for claim underpayments identified in the investigation findings which have not already been reimbursed. Payment of interest, pursuant to §374.191 will be included. A letter will be included indicating that as a result of a Missouri Market Conduct Investigation it was discovered either that additional payments were owed on the claim.

C. **Compliance.** Oak River agrees to file documentation pursuant to section 374.205 with the Division, in a format acceptable to the Division, within 30 days of the entry of an Order approving this Stipulation, of any remedial action taken to implement compliance with the terms of

¹ All statutory references, unless otherwise noted, are to the 2016 Revised Statutes of Missouri, as amended.

this Stipulation, including documentation of any refund or claim payments made to insureds.

D. **Non-Admission.** Nothing in this Stipulation shall be construed as an admission by Oak River, this Stipulation being part of a compromise settlement to resolve disputed factual and legal allegations arising out of the above referenced market conduct examination.

E. **Waivers.** Oak River, after being advised by legal counsel, does hereby voluntarily and knowingly waive any and all rights to procedural requirements, including notice and an opportunity for a hearing, and review or appeal by any trial or appellate court, which may have otherwise applied to the market conduct investigation no.258171 .

F. **Amendments.** No amendments to this Stipulation shall be effective unless made in writing and agreed to by authorized representatives of the Division and Oak River.

G. **Governing Law.** This Stipulation shall be governed and construed in accordance with the laws of the State of Missouri.

H. **Authority.** The signatories below represent, acknowledge and warrant that they are authorized to sign this Stipulation, on behalf of the Division and Oak River, respectively.

I. **Counterparts.** This Stipulation may be executed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single document. Execution by facsimile or by electronically transmitted signature shall be fully and legally effective and binding.

J. **Effect of Stipulation.** This Stipulation shall not become effective until entry of an Order by the Director of the Department (hereinafter “Director”) approving this Stipulation.

K. **Request for an Order.** The signatories below request that the Director issue an Order approving this Stipulation and ordering the relief agreed to in the Stipulation, and consent to the issuance of such Order.

DATED: May 6, 2024



Teresa Kroll
Chief Market Conduct Examiner
Division of Insurance Market Regulation

DATED: 4/26/2024



[NAME and TITLE] Vice President
Oak River Insurance Company