

business street address is 220 NW 2nd Avenue Suite 800, Portland, OR 97209-3951, and telephone number is 503-222-1831.

Source of Injury or Loss to Others

JBL&K violated ORS 744.013(2)(g) (1999) in six instances by issuing and filing with the Oregon Workers' Compensation Division (WCD), in accordance with ORS 656.419(2), workers' compensation insurance guaranty contracts on behalf of Centre Insurance Company (Centre) and then subsequently issuing replacement workers' compensation insurance policies on behalf of Commercial Compensation Insurance Company (CCIC), but failing to issue and timely file with WCD the following six guaranty contracts on behalf of CCIC, thus causing Centre to remain obligated for claims for workers' compensation benefits under the replaced policies.

<u>Insured</u>	<u>Insurer</u>	<u>Policy No.</u>	<u>Effective Date</u>	<u>Date Filed</u>
Chara Development Inc.	CCIC	W99A165951	10/1/99	1/19/00
Justrom & Stromme Inc.	CCIC	W997140332	7/1/99	1/19/01
Langlitz Leathers Inc.	CCIC	W994135920	4/1/99	9/14/99
Mountain Mill Inc.	CCIC	W991170997	1/1/99	None
Prism Graphics Inc.	CCIC	W994137746	4/1/99	None
Wierson Ventures Inc.	CCIC	W994158889	4/1/99	None

Failing to Keep Records

JBL&K violated ORS 744.024(3) (1999) in five instances by failing to keep in one form or another copies of the following five workers' compensation insurance policy declaration pages and guaranty contracts issued by JBL&K in the following four files, out of a sample of ten files, reviewed on 5/30/01 by the Insurance Division.

<u>Insured</u>	<u>Insurer</u>	<u>Policy No.</u>	<u>Missing Document</u>
Chara Development Inc.	CCIC	W99A165951	Policy & guaranty contract
Justrom & Stromme Inc.	CCIC	W997140332	Policy
Langlitz Leathers Inc.	CCIC	W994135920	Guaranty contract
Milwaukie Convalescent Hosp.	CCIC	G001217214	Policy

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Action

Pursuant to ORS 731.988, JBL&K shall pay a civil penalty of \$20,000. The payment shall be made in the form of a check payable to the "Department of Consumer and Business Services" for the full amount due. The payment shall be delivered or mailed to the Insurance Division at 350 Winter Street NE, Room 440, Salem, OR 97301-3883. The payment shall be received by the Insurance Division by the date of the Final Order.

Dated June 18, 2002

/s/ Charles W. Floberg
[Signature of Representative]

Charles W. Floberg
[Printed Name of Representative]

President and CEO
[Printed Title of Representative]

Jewett, Barton, Leavy, Kern, Inc.

FINAL ORDER

The director adopts and incorporates herein by this reference the above Stipulation as the director's final decision in this proceeding.

Dated June 27, 2002

/s/ Mary C. Neidig
Mary C. Neidig
Director
Department of Consumer and Business Services

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