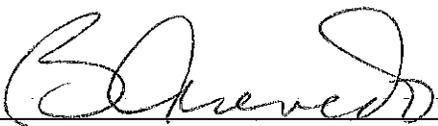


requires all insurers that are licensed in Oregon as insurers and authorized to transact generally property and casualty insurance to be members of the Oregon Insurance Guaranty Association (OIGA). ORS 734.570(3) requires OIGA to assess its member insurers an amount necessary to pay OIGA's expenses. If OIGA assesses its member insurers, then a member insurer shall either recoup the assessment from its insureds pursuant to ORS 734.579(1), or expense any unrecouped assessment pursuant to OAR 836-031-0855(7), or carry over to the following 12-month period described in OAR 836-031-055(6) any unrecouped assessment pursuant to OAR 836-031-0855(11). However, if a member insurer chooses to recoup its assessment from its insureds, it may not recoup more than its assessment. If a member insurer recoups more than its assessment, then it must either payback the excess to insureds or carry over the excess pursuant to OAR 836-031-0855(9). If a member insurer carries over the excess, then it must either payback the excess to insureds, or, if permitted, pays the excess to OIGA pursuant to OAR 836-031-0855(10). A member insurer must annually certify to the director the total amount recouped if any during the previous year and that any amount recouped does not exceed the assessment pursuant to ORS 734.579(2). A member insurer must file the certification, on a form prescribed by the director, by June 1 of each year pursuant OAR 836-031-0855(8). At all relevant times, BCS was a member insurer of OIGA, was assessed by OIGA, and either recouped, or expensed, or carried over, some or all of the assessment. BCS was required to file its certification for 2012 by 6/3/13. BCS filed its certification for 2012 on 6/6/13, three days late.

Action

Pursuant to ORS 731.988(1), BCS is assessed a civil penalty of \$300. 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 the Labor and Industries Building, 350 Winter Street NE Room 300, Salem, OR 97301-3880; or mailed to the Insurance Division at PO Box 14480, Salem, OR 97309-0405. The payment shall be received by the Insurance Division before the date of the final order.

Dated August 12, 2013



[Signature of Representative]

Blanca Acevedo

[Printed Name of Representative]

AVP of P+C Operations

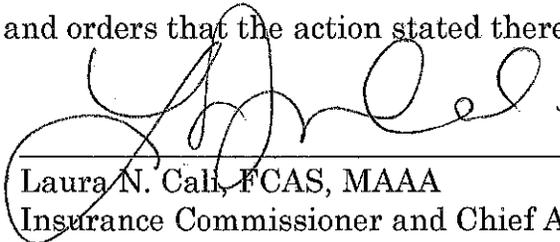
[Printed Title of Representative]

BCS Insurance Company

FINAL ORDER

The director incorporates herein the above stipulation, adopts it as the director's final decision in this proceeding, and orders that the action stated therein be taken.

Dated SEP 17 2013



Laura N. Call, FCAS, MAAA

Insurance Commissioner and Chief Actuary

//
//
//