STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of: DIVERSIFIED BENEFIT ADMINISTRATORS, INC., a Georgia Corporation, Respondent.	Case No. INS-24-0013 FINAL ORDER TO CEASE AND DESIST, ALLOWING SURRENDER OF THIRD PARTY ADMINISTRATOR LICENSE, ASSESSING CIVIL PENALTIES, REINSTATING CIVIL PENALTIES, AND CONSENT TO ENTRY OF ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), acting in accordance with Oregon Revised Statutes ("ORS") chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 743B, 744, 746, 748 and 750 ("Insurance Code"), has conducted an investigation into the activities of Diversified Benefit Administrators, Inc. ("Respondent") and determined that Respondent failed to timely file its required annual report with the Director for the year 2022 and failed to satisfy the conditions necessary for the continued suspension and waiver of civil penalties imposed under a consent order entered into pursuant to ORS 183.417(3), ORS 183.745(11), and OAR 137-003-0510(3).

Respondent agrees to resolve and settle this matter with the Director by surrendering its third party administrator license, paying civil penalties, and consenting to this order.

Now, therefore, as evidenced by the signature subscribed on this Order, Respondent hereby CONSENTS to entry of this Order.

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350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

FINDINGS OF FACT

The Director FINDS that:

1. Respondent has held an Oregon third party administrator license ("License") since May 20, 2020. Respondent's National Producer Number is 17877554.

2. Respondent's principal place of business is 2024 E Pinetree Blvd., Suite D, Thomasville, Georgia 31792.

3. On February 23, 2023, Respondent and the Division entered into a consent order in Division of Financial Regulation ("Division") case number INS-22-0078, a true and correct copy of which is attached hereto as Exhibit A (the "Consent Order").

4. Under the Consent Order, Respondent agreed to pay civil penalties imposed by the Director in the total amount of $2,000 (the "Civil Penalties").

5. Under the Consent Order, Respondent agreed that its obligation to pay $1,000 of the Civil Penalties would be suspended only as long as Respondent satisfied certain conditions, including the requirement that Respondent refrained from violating the Insurance Code for a period of three years from the effective date of the Order.

6. Under the Consent Order, Respondent agreed that the Civil Penalties would not be waived if Respondent failed to comply with any term set forth in the Order.

7. Respondent failed to file its 2022 annual report with the Director by March 1, 2023.

8. On April 4, 2023, the Director sent Respondent an email message extending the filing deadline to May 1, 2023.

9. Respondent failed to file its 2022 annual report with the Director by May 1, 2023.

10. On March 15, 2024, Respondent filed its 2022 annual report with the Director.

11. From May 2, 2023, until March 15, 2024, Respondent failed to comply with the terms of the Consent Order by failing to timely file Respondent's 2022 annual report with

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the Director, thereby violating the Insurance Code. Accordingly, the $1,000 in suspended Civil Penalties is due and payable as a result of Respondent's failure to satisfy the terms of the Consent Order.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

12. Pursuant to ORS 744.738(1), third party administrators are required to file annual reports with the Director by March 1 of each year, or within such extension of time as the Director may grant.

13. By failing to file the 2022 report by May 1, 2023, Respondent violated ORS 744.738(1).

14. The Consent Order resolved Division case number INS-22-0078 in accordance with, *inter alia*, ORS 183.417(3), ORS 183.745(11), and OAR 137-003-0510(3)-(4).

15. The Consent Order is a valid and enforceable final order not subject to the provisions of ORS 183.470 and OAR 137-003-0665(5).

16. Respondent's violation of ORS 744.738(1) is a violation of the Insurance Code and made the suspended Civil Penalties imposed under the Consent Order due and payable as of May 2, 2023.

17. Respondent is obligated to pay the $1,000 in suspended Civil Penalties imposed under the Consent Order.

18. Because the Director has reason to believe that Respondent has been engaged in violations of the Insurance Code, the Director may issue an order to Respondent to cease and desist under ORS 731.252(1).

19. The Director may impose a civil penalty of up to $10,000 per violation upon any person who violates a provision of the Insurance Code, under ORS 731.988(1).

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ORDERS

Now therefore, the Director issues the following Orders:

20. As authorized by ORS 731.252(1), the Director hereby ORDERS Respondent to CEASE AND DESIST from violating ORS 744.738(1).

21. The Director hereby grants Respondent's request to voluntarily surrender its Oregon third party administrator license. Neither Respondent, nor Respondent's successors or assigns, will apply or re-apply for a third party administrator license in Oregon for a period of three years from the effective date of this Order.

22. As authorized by the Consent Order resolving Division case number INS-22-0078 in accordance with ORS 183.417(3), ORS 183.745(11), and OAR 137-003-0510(3)-(4), a true and correct copy of which is attached hereto as Exhibit A, the Director hereby ORDERS that the $1,000 in suspended CIVIL PENALTY imposed on Respondent under the Consent Order be IMMEDIATELY DUE AND PAYABLE as a result of Respondent's failure to satisfy the terms and conditions of the Consent Order, namely by violating ORS 744.738(1) and the Insurance Code.

23. As authorized by ORS 731.988(1), the Director hereby ORDERS that Respondent be subject to a CIVIL PENALTY of $2,000 for violating ORS 744.738(1).

24. The Director hereby suspends payment of $1,000 of the CIVIL PENALTY assessed in Paragraph 23 for a period of three years from the effective date of this Order, provided Respondent:

A. Pays the $1,000 in CIVIL PENALTY reinstated pursuant to Paragraph 22;

B. Pays the remaining $1,000 of the CIVIL PENALTY assessed in Paragraph 23; and

C. Does not violate any term of this Order or any provision of the Insurance Code within the three-year time period.

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25. The non-suspended and reinstated portions of the CIVIL PENALTY assessed herein ($2,000) are due and payable at the time Respondent returns this signed Order to the Director.

26. The suspended CIVIL PENALTY ($1,000) will be waived three years from the effective date of this Order, provided Respondent has complied with the foregoing Order terms. The Director reserves the right to immediately assess and collect the suspended civil penalty upon a determination that Respondent has violated any term of this Order.

27. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, entry of this Order does not limit or prevent further remedies available to the Director under Oregon law to enforce this Order or take action for violations of this Order or of the Insurance Code not covered by this Order.

28. This Order is binding upon Respondent's successors and assigns.

IT IS SO ORDERED this 30th day of May 2024.

ANDREW R. STOLFI, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

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CONSENT TO ENTRY OF ORDER

I, Mary Beth Donalson state that I am an officer of Respondent and am authorized to act on its behalf. I have read the foregoing Order and know and fully understand the contents hereof. I have been advised of Respondent's right to a hearing and right to be represented by counsel in this matter. Respondent consents to the entry of this Order without any force or duress, expressly waiving any right to a hearing in this matter, as well as any rights to administrative or judicial review of this Order. Respondent agrees to fully comply with the terms and conditions of this Order. Respondent understands that the Director reserves the right to take further actions against Respondent to enforce this Order or to take appropriate action upon discovery of other violations of the Insurance Code or with the terms and conditions stated herein.

Respondent understands that this Consent Order is a public document.

Signature: /s/ Mary Beth Donalson

Position Held: President

State of Georgia

County of Thomas

Signed or attested before me on this 20th day of May, 2024 by Mary Beth Donalson

/s/ Alison Johnson
Notary Public

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