



Expense Policy, form number B 8790-1. The filing included a Certificate of Compliance dated 8/24/05 which stated in relevant part "I, the undersigned authorized filer, hereby certify that the filing submitted complies with the applicable Oregon laws and applicable filing requirements and product standards set forth on the Insurance Division's web site and that the filing is not false or misleading in any material respect." The certificate was signed by Susan Roberts of BFLIC. The filing did not include the required product standards, form number 440-3631. So on 8/30/05 the Insurance Division requested BFLIC send the product standards form to be included with the filing. On 9/5/05, the Insurance Division received from BFLIC the product standards form. One of the standards, on page 6 of 15, pursuant to ORS 743.053, required the policy to make "benefits cover losses for at least 180 days after the accident." BFLIC inserted on the product standards form "Pg 5-Par 3" thereby representing that the policy, on page 5 paragraph 3 of the policy form, complied with the standard. However, the policy made death benefits payable if, *inter alia*, death occurred "within 90 days of the date of the Insured's accidental bodily injury." Thus, the policy did not comply with the standard and BFLIC' representation otherwise was false.

#### **Action**

Pursuant to ORS 731.988, BFLIC is assessed a civil penalty of \$10,000. 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 to the Insurance Division at the Labor and Industries Building, 350 Winter Street NE, Room 440 (4<sup>th</sup> Floor), Salem, Oregon; or mailed to the Insurance Division at PO Box 14480, Salem, OR 97309-0405. The payment shall be *received* by the Insurance Division by the date of the final order.

Dated August 16, 2006

/s/ Eugene Choate  
[Signature of Representative]  
Eugene Choate  
[Printed Name of Representative]  
President  
[Printed Title of Representative]

Bankers Fidelity Life 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 September 6, 2006

/s/ Cory Streisinger

Cory Streisinger

Director

Department of Consumer and Business Services

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