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

In the Matter of: EXPLORER INSURANCE COMPANY, A California Business Corporation, Respondent.	Case No. INS-18-0077 FINAL ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTY, 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 the Oregon Revised Statutes ("ORS") chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 744, 746, 748 and 750 ("Insurance Code"), has decided to take enforcement action against Explorer Insurance Company ("Respondent").

Respondent wishes to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the signature(s) subscribed in this Order, Respondent hereby CONSENTS to entry of this Order.

FINDINGS OF FACT

The Director FINDS that:

1. Respondent has been licensed in Oregon as a Foreign Insurer since December 28, 1990. Respondent's NAIC number is 40029.

2. Respondent's last recorded principal business mailing address is P.O. Box 509039, San Diego, CA 92150-9039.

3. Respondent is authorized to transact workers' compensation insurance in Oregon.

4. Workers' compensation insurers are required to file a Special Oregon

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Schedule P by March 1 of each year.

5. On January 14, January 29, and February 13, 2018, e-mail notices were sent to Respondent to remind the company that its Special Oregon Schedule P for 2017 was due on March 1, 2018. All notices stated that filing the form late would result in a civil penalty of $500 a day.

6. Respondent filed its Special Oregon Schedule P for 2017 on March 7, 2018, six days after the due date.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

7. Under ORS 731.252(1), whenever the Director has reason to believe that any person has been engaged or is engaging or is about to engage in any violation of the Insurance Code, the Director may issue an order to discontinue or desist from such violation or threatened violation.

8. ORS 731.574(1) authorizes the Director to require workers' compensation insurers to file a Special Oregon Schedule P by March 1 of each year.

9. By filing its Special Oregon Schedule P six days past the due date, Respondent violated ORS 731.574(1).

10. ORS 731.988(1) authorizes the Director to impose upon Respondent a civil penalty of up to $10,000 per violation of ORS 731.574(1).

ORDER

Now therefore, the Director issues the following Orders:

11. Pursuant to ORS 731.252(1), the Director ORDERS Respondent to CEASE AND DESIST from violating any provision of the Insurance Code or the administrative rules promulgated thereunder.

12. Pursuant to ORS 731.988(1), the Director ORDERS Respondent to pay a CIVIL PENALTY of $3,000 for violating ORS 731.574(1).

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13. The CIVIL PENALTY assessed herein is due and payable at the time this Order is submitted to the Director.

SO ORDERED this 29th day of October, 2018 in Salem, Oregon.

CAMERON C. SMITH, Director
Department of Consumer and Business Services

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

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ENTITY CONSENT TO ENTRY OF ORDER

I, Fariborz Rostamian, am an officer of Respondent and I am authorized to act on its behalf. I have read the foregoing Order and I know and fully understand the contents hereof. The factual allegations stated herein are true and correct. I have been advised of the right to a hearing and of the right to be represented by counsel in this matter. Respondent voluntarily 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 understands that the Director reserves the right to take further action against it to enforce this order or to take appropriate action upon discovery that Respondent has committed other violations of the Oregon Insurance Code. Respondent, along with its officers, directors, employees, or agents, will fully comply with the terms and conditions stated herein.

Respondent understands that this Order is a public document.

Signature: /s/Fariborz Rostamian

Position Held: CFO

State of California

County of San Diego

Signed or attested before me on this 29th day of October, 2018 by Fariborz Rostamian.

/s/ Susan Redd
Notary Public

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