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

In the Matter of:	Case No. INS-20-0074
PROSELECT INSURANCE COMPANY, Respondent.	FINAL ORDER TO CEASE AND DESIST, FINAL 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 Proselect Insurance Company ("Proselect").

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

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

FINDINGS OF FACT

The Director FINDS that:

1. Proselect has been licensed in Oregon as a foreign insurer since March 12, 2014. The company's NAIC number is 10638.

2. Proselect's last recorded principal business mailing address is One Financial CTR, 13th Floor, Boston, MA 02111.

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

4. Workers' compensation insurers are required to file a Special Oregon Schedule P by March 1 of each year.

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350 Winter Street NE, Suite 410
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5. On January 14, January 29, and February 13, 2020, e-mail notices were sent to Proselect to remind the company that its Special Oregon Schedule P for 2019 was due on March 1, 2020. All notices stated that filing the form late will incur a civil penalty of $500 a day.

6. On March 18, 2020, the Division sent an email notification to Proselect informing it that the Special Oregon Schedule P had not been filed.

7. On March 19, 2020, Proselect responded that it "overlooked checking the 'Submit' box to file the return."

8. Proselect filed its Special Oregon Schedule P for 2019 on March 19, 2020, seventeen (17) days after the due date.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

9. 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.

10. 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.

11. By filing its Special Oregon Schedule P seventeen (17) days past the due date, Proselect violated ORS 731.574(1).

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

ORDERS

Now therefore, the Director issues the following Orders:

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13. Pursuant to ORS 731.252(1), the Director ORDERS Proselect to CEASE AND DESIST from violating ORS 731.574(1).

14. Pursuant to ORS 731.988(1), the Director ORDERS Proselect to pay a CIVIL PENALTY of $8,500 for violating ORS 731.574(1).

15. The Director hereby suspends payment of $4,000 of the CIVIL PENALTY for a period of two years, provided Respondent makes timely and accurate filings of its 2020 and 2021 Special Oregon Schedule Ps.

16. The suspended CIVIL PENALTY ($4,000) will be waived on January 1, 2023, 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.

17. The non-suspended CIVIL PENALTY ($4,500) is due and payable at the time this Order is submitted to the Director.

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

19. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, the entry of this Order does not limit other remedies that are available to the Director under Oregon law.

SO ORDERED this 22nd day of October, 2020 in Salem, Oregon.

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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ENTITY CONSENT TO ENTRY OF ORDER

I, Erin B. Bagley, am an officer or manager of Proselect Insurance Company ("Proselect"). I am authorized to act and sign on behalf of Proselect. I have read the foregoing Order, and I know and fully understand the contents hereof, without admitting or denying the Findings of Fact and Conclusions of Law. I have been advised of the right to a hearing and of the right to be represented by counsel in this matter. Proselect voluntarily consents to the entry of this Order with no force or duress, expressly waiving any right to a hearing in this matter and any rights to administrative or judicial review of this Order. Proselect understands that the Director reserves the right to take further action to enforce this Order or to take action upon discovery that Proselect has committed other violations of the Oregon Insurance Code. Proselect, along with its officers, directors, employees, or agents, shall comply with the terms and conditions stated herein.

Proselect understands that this Order is a public document.

Signature: /s/ Erin B. Bagley

Position Held: VP, General Counsel

ACKNOWLEDGMENT

State of Massachusetts

County of Suffolk

Signed or attested before me on the 16th of October, 2020.

/s/ Kim A. Tobin
Notary Public

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