

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

In the Matter of:

Case No. INS-20-0072

SELECTIVE INSURANCE COMPANY OF
AMERICA,

FINAL ORDER TO CEASE AND
DESIST, FINAL ORDER ASSESSING
CIVIL PENALTY, AND CONSENT TO
ENTRY OF ORDER

Respondent.

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, 743B, 744, 746, 748 and 750 (“Insurance Code”), has decided to take enforcement action against Selective Insurance Company of America (“Selective”).

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

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

FINDINGS OF FACT

The Director FINDS that:

1. Selective has been licensed in Oregon as a foreign insurer since January 14, 2005. The company’s NAIC number is 12572.
2. Selective’s last recorded principal business mailing address is 40 Wantage Avenue, Branchville, NJ 07890.
3. Selective is authorized to transact workers’ compensation insurance in Oregon.
4. Workers’ compensation insurers are required to file a Special Oregon

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1 Schedule P by March 1 of each year.

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

6 6. Selective filed its Special Oregon Schedule P for 2019 on April 9, 2020, thirty-
7 eight (38) days after the due date.

8
9 **CONCLUSIONS OF LAW**

10 The Director CONCLUDES that:

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

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

17 9. By filing its Special Oregon Schedule P thirty-eight (38) days past the due date,
18 Selective violated ORS 731.574(1).

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

21
22 **ORDERS**

23 Now therefore, the Director issues the following Orders:

24 11. Pursuant to ORS 731.252(1), the Director ORDERS Selective to CEASE AND
25 DESIST from violating ORS 731.574(1).

26 12. Pursuant to ORS 731.988(1), the Director ORDERS Selective to pay a CIVIL

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1 PENALTY of \$10,000 for violating ORS 731.574(1).

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

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

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

8 SO ORDERED this 29th day of October, 2020 in Salem,
9 Oregon.

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

12
13 /s/ Dorothy Bean
14 Dorothy Bean, Chief of Enforcement
15 Division of Financial Regulation

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1 **ENTITY CONSENT TO ENTRY OF ORDER**

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

13 Selective understands that this Order is a public document.

14
15
16 /s/ Ernest Williams 8/26/2020
Signature Date

17 Ernest Williams
18 Printed name

19 AVP, Assistant Controller
20 Office held

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