

STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION

In the Matter of **Christopher H. Page.**) **STIPULATION** and
) **FINAL ORDER**
) Case No. INS 99-05-005

STIPULATION

The Director of the Department of Consumer and Business Services (Director) commences the above entitled administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256(1), to take action against Christopher H. Page (Page) for violating certain provisions of the Oregon Insurance Code.

Page enters into this stipulation to conclude this proceeding without further administrative or judicial proceedings pursuant to ORS 183.415(5).

Page waives all rights pursuant to the Oregon Administrative Procedures Act, ORS Chapter 183, including but not limited to the right to receive a notice of proposed action and a notice of rights and procedures in contested cases, to have a hearing, and to be represented by an attorney at the hearing pursuant to ORS 183.413 and 183.415, to receive a final order pursuant to ORS 183.470, and to judicial review of the final order pursuant to ORS 183.480 and 183.482.

Page admits and agrees to the following:

Facts

Licensing

Page has been licensed in Oregon as a resident individual insurance agent since March 31, 1993. Page's license number is 603355. Page conducts business at 5603 SW Hood Avenue, Portland, OR 97201.

Misconduct - McCloud Transaction

On or about December 18, 1995, Page sent a memo to Joel McCloud (McCloud) representing that two apartment complexes owned by McCloud were insured. At the time, the representation was false.

In 1995, Page procured insurance for a group of McCloud's properties, including the two complexes. From on or about June 2, 1995 to September 12, 1995, Page

knew that the insurer did not want to insure the two complexes because they did not meet the insurer's underwriting criteria. However, the insurer canceled the policy effective on October 17, 1995 because McCloud failed to pay the premium. McCloud thereafter contacted Page for assistance, and on or about December 12, 1995, Page became aware that the insurer had canceled the policy.

Page requested and the insurer agreed to issue a second policy effective from December 12, 1995 to December 12, 1996. Page assumed that the second policy would insure the two complexes. However, Page should have known that the second policy would not insure the two complexes. Page failed to verify whether the second policy insured the two complexes before sending the memo to McCloud. The second policy did not insure the two complexes.

As a result of relying on Page's memo, McCloud believed that the two complexes were insured and did not know that he needed to obtain new insurance insuring them. On January 30, 1996, McCloud suffered wind damage to the roof of one of the complexes. The insurer denied McCloud's claim because the complex was not insured. Subsequently, Page contributed to the full reimbursement of McCloud for the damage.

Misconduct - Matson Transaction

Page prepared and sent a certificate of insurance on or about June 21, 1996, and a premium invoice on or about June 28, 1996, to Eichler, Fayne & Associates (EF&A), a mortgage broker, in which he represented that an apartment complex owned by Fran Matson (Matson) was insured. This representation was false. Matson did not pay the premium, and the insurer canceled the policy effective on January 1, 1996.

Page knew that this representation was false because Page knew that the policy would have expired by its original terms on May 25, 1996 and that the insurer had not renewed the policy.

Ultimate Facts

Page made material misrepresentations as to the terms of an insurance policy or proposed insurance policy.

Conclusions

Page violated ORS 744.013(2)(f).

Action

The insurance agent license issued to Page shall be suspended from September 27, 1999 to December 26, 1999 inclusive, pursuant to ORS 744.013(1)(a). During this period, Page shall not transact insurance, including servicing existing clients, except as permitted by ORS 744.057(1) and OAR 836-071-0280(1).

Page shall pay a civil penalty of \$1,000 pursuant to ORS 731.988. Payment shall be made in the form of a check payable to the "Department of Consumer and Business Services" for the full amount due. Payment shall be personally delivered or mailed to the Insurance Division so that it is received on or before the date of this order.

Dated September 22, 1999.

/s/ Christopher H. Page
Christopher H. Page

FINAL ORDER

The Director adopts, and incorporates herein by this reference, the Facts, Ultimate Facts, Conclusions and Action in the above Stipulation as the Findings of Fact, Ultimate Findings of Fact, Conclusions of Law and Order, respectively, of this Final Order.

Dated September 24, 1999.

/s/ Michael Greenfield
Michael Greenfield
Director
Department of Consumer and Business Services