

**STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION**

In the Matter of **Patrick W. McKenzie.**) **STIPULATION** and
) **FINAL ORDER**
) Case No. INS 04-06-020

STIPULATION

The Director of the Oregon Department of Consumer and Business Services (director) commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take enforcement action against Patrick W. McKenzie (McKenzie).

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

McKenzie waives the right to receive a notice of proposed action, receive a notice of the rights of a party and procedures in contested cases, have a hearing, be represented by an attorney at the hearing, receive a proposed order, file exceptions to the proposed order, and have the final order judicially reviewed.

McKenzie stipulates to the following facts, conclusions, and action; and consents to the issuance of a final order incorporating this stipulation.

Facts and Conclusions

Licensing Information

McKenzie has been licensed in Oregon as a resident insurance agent since 5/1/00. McKenzie's current license number is 617316. McKenzie's last recorded residence and business addresses are located in Dallas, Oregon.

Forged a Person's Name on Application or Related Document and Made False Statement on or Relative to an Insurance Application

McKenzie violated ORS 744.074(1)(k) and 746.100 each in five instances by engaging in the following conduct. ORS 744.074(1)(k) permits the director to take any authorized action against a person if the person forges another person's name to an application for insurance or to any document related to an insurance

transaction. ORS 746.100 prohibits a person from making a false or fraudulent statement or representation on or relative to an application for insurance.

1. On or about 10/7/02, McKenzie forged the name of Vandol Durham (Durham), of Lebanon, Oregon, on one amendment to a application for a term life insurance policy, number 1697089, which was subsequently issued by Country Life Insurance Company (CLIC). On or about the same date, McKenzie sent the forged document to CLIC thereby misrepresenting to CLIC that Durham signed the document.

2. Sometime between 10/9/02 and 11/1/02, McKenzie forged Durham's name on two amendments to an application for, and on one endorsement to, a disability income insurance policy, number H460472, which was subsequently issued by CLIC. On or about 11/1/02, McKenzie sent the forged documents to CLIC thereby misrepresenting to CLIC that Durham signed the documents.

3. Sometime between 10/9/02 and 11/1/02, McKenzie forged the name of Betty Nash of Lebanon, Oregon, on one amendment to a application for a term life insurance policy, number 1697089, which was subsequently issued by Country Life Insurance Company (CLIC). On or about 11/1/02, McKenzie sent the forged document to CLIC thereby misrepresenting to CLIC that Nash signed the document.

Action

Pursuant to ORS 731.988, McKenzie is assessed a civil penalty of \$3,000. 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 (4th Floor), Salem, Oregon; or mailed to the Insurance Division at PO Box 14480, Salem, OR 97309-0405. The payment is due on, and shall be received by the Insurance Division by, the date of the final order.

Dated August 3, 2004

/s/ Patrick W. McKenzie
Patrick W. McKenzie

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 August 26, 2004

/s/ Joel Ario
Joel Ario
Administrator
Insurance Division
Department of Consumer and Business Services

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