

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

In the Matter of **Brandon L. Caselman**) **STIPULATION** and
) **FINAL ORDER**
) Case No. INS 09-04-011

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 Brandon L. Caselman (Caselman).

Caselman desires to conclude this proceeding without a hearing by entering into this stipulation pursuant to ORS 183.417(3).

Caselman waives all rights relative to an administrative hearing and judicial review thereof.

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

Facts and Conclusions

Licensing Information

Caselman has been licensed in Oregon as a resident insurance producer from since 9/27/04. Caselman's last recorded residence and business address is located in Saint Helens, Oregon.

Made Unsuitable Recommendation in Life Insurance Transaction

Caselman is subject to enforcement action pursuant to OAR 836-080-0090 because of the following circumstances. OAR 836-080-0090 prohibits a person from recommending that another person purchase or replace a life insurance policy or annuity, or any rider, endorsement or amendment to the policy or annuity, without *reasonable grounds* to believe that the transaction is not unsuitable for the other person *based upon a reasonable inquiry* concerning the other person's insurance

objectives, financial situation and needs, age and other relevant information known by the person.

In four instances between 3/7/05 and 3/28/05, Caselman recommended to Eugenia B. Wait (Wait), an 82 year old single woman, of Beaverton, Oregon, that she purchase three single premium deferred fixed annuities to be issued by Bankers Life and Casualty Company (Bankers Life) and deposit into the annuities a total of \$1,117,137.56. Caselman did not have reasonable grounds to believe that the annuities were not unsuitable for, or in other words would not harm, Wait because Caselman knew or should have known that (1) the total amount deposited into the annuities was about 87 percent of Wait's liquid assets which caused her to not have access to sufficient liquid financial resources to pay for increased anticipated expenses and unanticipated expenses, and (2) Wait was 82 years old and had a life expectancy of about eight years but the annuity had a surrender period of ten years.

In five instances between 3/9/05 to 7/29/05, Caselman recommended to Ignatius M. VanderZanden (VanderZanden), a 77 year old single man, of Portland, Oregon, that he purchase two single premium deferred fixed annuities to be issued by Bankers Life and deposit into the annuities a total of \$162,012.68. Caselman did not have reasonable grounds to believe that the annuities were not unsuitable for, or in other words would not harm, VanderZanden because Caselman knew or should have known that (1) the total amount deposited into the annuities equaled all of VanderZanden's liquid assets which caused him to not have access to any liquid financial resources to pay for increased anticipated expenses as well as for any unanticipated expenses, (2) VanderZanden would earn less money by purchasing the annuities than he would if he did not purchase them, and (3) VanderZanden was 77 years old and had a life expectancy of about nine years but the annuity had a surrender period of ten years.

Action

Pursuant to ORS 744.074(1), Caselman's Oregon insurance producer license is revoked on the date of the final order.

Dated 5/14/09

/s/ Brandon L. Caselman
Brandon L. Caselman

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 6/1/09

/s/ Teresa D. Miller
Teresa D. Miller
Acting Administrator
Insurance Division
Department of Consumer and Business Services

//
//
//