

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

In the Matter of **Alan M. Pelzner**) **STIPULATION** and
) **FINAL ORDER**
) Case No. INS 09-10-005

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 Alan M. Pelzner (Pelzner).

The director conducted an investigation of Pelzner, in which Pelzner fully cooperated. The director concluded that Pelzner engaged in certain conduct that violated a particular regulation, and that the director should take enforcement action against Pelzner.

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

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

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

Facts and Conclusions

Licensing Information

Pelzner has been licensed in Oregon as a resident individual insurance producer since 9/25/90. Pelzner's last recorded residence and business addresses are located in Portland, Oregon.

Made Unsuitable Recommendation in Life Insurance Transaction

Pelzner 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 having 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 May 2007, Pelzner recommended to two persons who resided in Oregon that they terminate a total of three existing annuities and replace them with three other annuities. Pelzner did not have reasonable grounds to believe that the replacing annuities were not unsuitable for the persons because Pelzner knew that the persons would pay a penalty for prematurely terminating their existing annuities, but Pelzner did not know the amount of the penalty, and thus Pelzner could not determine whether the persons would be adversely affected by replacing the annuities.

Action

Pursuant to ORS 744.074(1), Pelzner's Oregon resident individual insurance producer license is suspended for 30 days from 11/1/10 to 11/30/10.

Dated July 19, 2010

/s/ Alan M. Pelzner
Alan M. Pelzner

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 16, 2010

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