

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

In the Matter of **Rhonda L. Mullican** ) **STIPULATION** and  
 ) **FINAL ORDER**  
 ) Case No. INS 12-01-004

**STIPULATION**

The Director of the Oregon Department of Consumer and Business Services (director), by and through the Insurance Division, commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take enforcement action against Rhonda L. Mullican (Mullican).

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

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

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

**Facts and Conclusions**

Licensing Information

Mullican has been licensed in Oregon as a resident individual insurance producer from 9/23/04 to 5/31/09 and since 11/29/11. Mullican's license number is 200083 and NAIC national producer number is 8233578. Mullican's last recorded residence address is 4530 SE Rural Street, Portland, OR 97206-7775; and telephone number is 503-805-3145. Mullican's last recorded principal place of business address is Castparts Employees Federal Credit Union, 8120 SE Luther Road, Portland, OR 97206-9238; telephone number is 503-771-2464-113; fax number is 503-771-9694; e-mail address is [rmullican@castpartsfcu.org](mailto:rmullican@castpartsfcu.org).

Transacted Insurance in Oregon as an Intermediary Without a License

Mullican is subject to enforcement pursuant to ORS 744.053 because of the following circumstances.

ORS 744.053 prohibits a person who is not licensed in Oregon as an insurance producer from selling, soliciting, or negotiating insurance in Oregon.

At all relevant times, Mullican was employed by Castparts Employees Federal Credit Union (Castparts Employees FCU) as a loan officer. Castparts Employees FCU authorized Mullican to sell credit life or health insurance policies in connection with loans. Although Castparts Employees FCU did not pay Mullican a commission for selling each policy, it did pay Mullican a salary and a nominal reward for total loan department sales performance. Castparts Employees FCU required Mullican to be licensed as an insurance producer. Mullican was licensed in Oregon as a resident individual insurance producer from 9/23/04 to 5/31/09 and since 11/29/11.

Mullican's license was scheduled to expire on 6/1/09. On 4/21/09, Castparts Employees FCU mailed to the Insurance Division Mullican's renewal application and a check paying the renewal fee. However, Mullican did not sign the application certifying that she had not been convicted of a crime during the past two years. The Insurance Division negotiated the check. On 4/27/09, the Insurance Division mailed a letter to Mullican addressed to "4530 Rural Street, Portland, Oregon" informing her that she needed to certify that she had not been convicted of a crime in order to renew her license. Mullican's correct address was "4530 SE Rural Street, Portland, Oregon." Mullican contends that she did not receive the 4/27/09 letter. On 6/11/09, the Insurance Division mailed to Mullican at her correct residence address a notice that her license had expired and she could not sell insurance after 5/31/09.

Mullican received the 6/11/09 letter. On 6/18/09, Mullican mailed to the Insurance Division a copy of the negotiated check because she thought the reason that her license was not renewed was because the Insurance Division did not receive the check. On 6/23/09, the Insurance Division contends that it called and told Mullican that she needed to certify that she had not been convicted of a crime. Mullican contends that she did not receive a call from the Insurance Division. The Insurance Division and Mullican did not communicate further about Mullican's expired license until sometime in October 2011 when Castparts Employees FCU discovered that Mullican's license was not renewed. From 6/1/09 to 10/24/11, while Mullican's

license was expired, Mullican, as an employee of Castparts Employees FCU, sold to 96 persons residing in Oregon 178 credit life or health insurance policies issued by CUNA Mutual Insurance Society.

**Action**

Pursuant to ORS 731.988(1), Mullican is assessed a civil penalty of \$2,500.00. 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 or mailed to the Insurance Division at the Labor and Industries Building, 350 Winter Street NE Room 300, Salem, OR 97301-3880; or mailed to the Insurance Division at PO Box 14480, Salem, OR 97309-0405. The payment shall be received by the Insurance Division before the date of the final order.

Dated July 13, 2012

/s/ Rhonda L. Mullican  
Rhonda L. Mullican

**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 July 24, 2012

/s/ Louis Savage  
Louis Savage  
Insurance Commissioner  
Insurance Division  
Department of Consumer and Business Services

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