

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

In the Matter of the Application)	STIPULATION and
of Paul L. Pukis for renewal of)	CONSENT ORDER
Oregon Nonresident Insurance)	Case No. INS 15-04-019
Producer's License)	

The Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), pursuant to the authority set forth in ORS 744.074, and having reviewed the files and records of the Oregon Insurance Division, proposes to make the following:

Findings of Fact:

1. Paul L. Pukis ("Pukis") has applied for renewal of an Oregon Nonresident Insurance Producer's License ("License"). Pukis is licensed as a resident insurance producer in the state of Washington and has been licensed as a nonresident insurance producer in Oregon since January 4, 2013. Pukis's National Producer Number is 9129496.
2. As part of the renewal process for his Oregon producer's license, on April 9, 2015, Pukis completed and submitted to the Director a renewal application form. In response to a question on that form asking whether Pukis had ever been named or involved in an administrative action, Pukis responded, "No." That question expressly stated that being "involved" in an administrative action included being named as a party to an administrative proceeding that related to a professional or occupational license.
3. Pukis's background check showed that Pukis was named in and the subject of an administrative action in the state of Washington beginning in December 2014 and concluding on March 4, 2015, relating to his Washington insurance producer's license and involving an allegation of misrepresentation. That administrative action appears to have resulted in Pukis's payment of a financial penalty.
4. When contacted by the Oregon Insurance Division, Pukis made statements indicating that he was aware of the Washington administrative action. In another statement, Pukis explained that he thought the question only applied to administrative actions involving the Financial Institution Regulatory Authority (FINRA), because the question referenced

FINRA sanctions. However, read as a whole, the application clearly requests information about any prior administrative actions.

Moreover, the Director has no record that Pukis ever gave the Director notice of the Washington administrative action at any time prior to submission of his application on April 9, 2015, nor did Pukis provide a copy of the final order or other relevant documents from that administrative action. Under ORS 744.089(1), a licensee must report to the Director the licensee's involvement in an administrative action within 30 days of final disposition of the administrative matter. Pukis did not report his involvement in the action.

Conclusions:

1. Under ORS 731.988(1) the Director may impose a civil penalty upon any individual who violates a provision of the Insurance Code.
2. Under ORS 744.074(1)(a) the Director may refuse to issue a License, or take any other action authorized by the Insurance Code, if an applicant provides incorrect, misleading, incomplete, or materially untrue information in a license application.
3. Accurate information about an applicant's history of administrative actions is material to the Director's decision whether to issue a License.
4. Pukis's statement in his application that he had not been named or involved in an administrative action was incorrect, misleading, incomplete, or materially untrue.
5. Under ORS 744.089(1), an insurance producer must report to the Director any administrative action taken against the insurance producer in another jurisdiction not later than the 30th day after the date of the final disposition of the matter and must include with that report a copy of the order and other relevant legal documents.
6. Pukis was involved in an administrative action in the state of Washington that ended on March 4, 2015. Pukis did not make the requisite report to the Director by the 30th day after the final order in the Washington administrative action or provide the final disposition and other required documents.
7. Based upon the foregoing, the Director proposes to renew Pukis's License, contingent upon payment of a civil penalty of \$500 for providing incorrect, misleading, incomplete, or materially untrue information in a license application and for failing to report the Washington administrative action to the Director as required by statute.

Stipulation to Order and Civil Penalty:

Pukis stipulates to the foregoing facts and conclusions and agrees that he will pay a civil penalty of \$500.

Pukis acknowledges that this Stipulation and Consent Order is an administrative action that the Director will report to the National Association of Insurance Commissioners (NAIC), and further acknowledges that he may be required to report this administrative action to any states in which he holds an insurance license and must disclose this administrative action on any insurance license application.

The Director hereby imposes a civil penalty of \$500, which is due and payable within 30 days of the final execution of this Stipulation, and directs that Pukis's License be renewed upon execution of this stipulation by all parties and after payment of the civil penalty.

In further consideration of the Director's issuance of a License, Pukis consents to entry of this order, including the civil penalty of \$500, and hereby waives any and all hearing rights as well as any rights to judicial or administrative review of this order.

Dated 27 AUG 15 ~~25 AUG 15~~ Paul Pukis
Paul L. Pukis

State of Washington
County of Snohomish

Signed or attested before me on 27 August, 2015 by Paul L. Pukis

Elizabeth K. Fuglestad
Notary Public -- State of Oregon Elizabeth K. Fuglestad
Legal Assistant, Attorney
US Coast Guard, No Seal Required
FINAL ORDER 10 USC 1044(a)

The Director incorporates the above Findings of Fact, Conclusions of Law, and Stipulation to Order and Civil Penalty, adopts them as the Director's final decision in this proceeding, and orders that the actions stated therein be taken.

Dated 10/5/15 [Signature]
Laura N. Cali
Oregon Insurance Commissioner
for the Director, Department of Consumer
and Business Services