

STATE OF OREGON  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
DIVISION OF FINANCIAL REGULATION

In the Matter of:

Case No. INS-16-0269

NORA MARTIN,

Licensee.

ORDER TO CEASE AND DESIST,  
VOLUNTARY SURRENDER OF  
LICENSE, ASSESS A CIVIL  
PENALTY AND CONSENT TO  
ENTRY OF ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon (“Director”), acting in accordance with Oregon Revised Statutes (“ORS”) chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 744, 746, 748 and 750 (“Insurance Code”) and specifically ORS 744.074, has conducted an investigation into the resident insurance producer license of NORA MARTIN (“Licensee”).

Licensee wishes to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the signature(s) subscribed on this Order, Licensee hereby CONSENTS to entry of this Order.

FINDINGS OF FACT

The Director FINDS that:

1. Licensee has been a licensed resident individual insurance producer since November 5, 2008. Licensee’s NAIC national producer number is 6256708.
2. At all times relevant, Licensee was appointed with American Family Life Assurance Company of Columbus (“Aflac”).
3. On or about December 20, 2010, Licensee purchased an Aflac Cancer

Division of Financial Regulation  
Labor and Industries Building  
350 Winter Street, NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387





1 Indemnity Insurance Policy No. PX737613.

2 4. On or about September 22, 2014, Licensee submitted a Cancer Screening  
3 Wellness Benefit Claim Form on her son, Jordan Montgomery (“Montgomery”), date of  
4 birth September 11, 1994.

5 5. On or about November 25, 2014, Licensee submitted Claim No. 396108145  
6 on Montgomery with a biopsy report from Michael Lavelle, MD (“Lavelle”) indicating  
7 Montgomery had prostate cancer.

8 6. On November 26, 2014, Aflac paid Licensee \$9,425 for Claim No.  
9 396108145 by direct deposit.

10 7. On December 2, 2014, Licensee called Aflac to review the claim because she  
11 should have received an additional \$7,500 since Montgomery was her dependent. The  
12 contact resulted in a second claim number being given, Claim No. 347908158.

13 8. Aflac contacted Lavelle’s office and learned that Montgomery was not a  
14 patient. Aflac also contacted the laboratory that reportedly tested Montgomery’s prostate  
15 biopsy, Healthtronics Laboratory (“Healthtronics”). Healthtronics stated that they had no  
16 records for Montgomery and that the biopsy report did not belong to Montgomery. It was  
17 determined that the biopsy report belonged to a client of the Licensee. The client did not  
18 authorize Licensee to use his medical records for anything other than his own policy.

19 9. As a result, Claim No. 347908158 was denied on December 22, 2014.

20 10. During the investigation, Licensee sent an electronic communication to Aflac  
21 declining to make a recorded statement, but stated “I would like to take responsibility for  
22 the fraudulent claim and make restitution to Aflac for the monies received. I am very  
23 sorry that this situation has happened and would just like to make it right.”

24 11. Aflac terminated its agency relationship with Licensee on August 27, 2015.

25 12. On or about March 2, 2016, Investigator Rebecca Flores, acting on behalf of  
26 the Director, requested Licensee to appear for an interview on March 30, 2016 and to

1 answer a list of questions in an electronic communication. On March 22, 2016, Licensee  
2 responded stating that her attorney advised her not to appear for an interview.

3 13. Investigator Flores informed Licensee's attorney failing to appear for an  
4 interview would be a violation of ORS 731.296. On March 29, 2016, Licensee's attorney  
5 wrote in an electronic communication that "Ms. Martin and I both understand that she  
6 will be in violation if she does not respond or appear. Nevertheless, I do not believe it is  
7 in her best interests to respond or appear, and I continue to advise her not to do so."

8 14. Licensee did not respond to the questions asked by Investigator Flores and did  
9 not appear for an interview.

#### 10 CONCLUSIONS OF LAW

11 The Director CONCLUDES that:

12 15. Under ORS 731.252(1), whenever the Director has reason to believe that any  
13 person has been engaged or is engaging or is about to engage in any violation of the  
14 Insurance Code, the Director may issue an order to discontinue or desist from such  
15 violation or threatened violation.

16 16. Under ORS 731.296, any licensee must promptly and truthfully reply to the  
17 proper inquiries made by the Director. Licensee failed to respond to the Director's  
18 inquiry and failed to appear for an interview.

19 17. Under ORS 744.074(1)(g), the Director may revoke a license if the insurance  
20 producer has admitted or has been found to have committed any unfair trade practice or  
21 fraud related to insurance.

22 18. Under ORS 744.074(1)(h), the Director may revoke a license for using  
23 fraudulent, coercive or dishonest practices, or demonstrating incompetence,  
24 untrustworthiness or financial irresponsibility in the conduct of business in this state or  
25 elsewhere.

26 19. Under ORS 731.988(1), the Director may impose a civil penalty of up to



1 \$1,000 per violation upon any individual who violates a provision of the Insurance Code.

2 20. Under ORS 731.988(2), the Director may require the forfeiture of any profits  
3 in any transaction that violates any provision of the Insurance Code.

4 ORDERS

5 Now therefore, the Director issues the following Orders:

6 21. As authorized by ORS 731.252(1), the Director ORDERS Licensee to CEASE  
7 AND DESIST from violating any provision of the Insurance Code or the administrative  
8 rules promulgated thereunder.

9 22. Based upon the foregoing and in accordance with ORS 731.988(1), the  
10 Director ORDERS a CIVIL PENALTY of \$2000 for filing a false claim and failing to  
11 respond to the Director's inquiry.

12 23. Based upon the foregoing and in accordance with ORS 731.988(2), the  
13 Director ORDERS a CIVIL PENALTY of \$9,425 for receiving this amount in a  
14 fraudulent claim. For a total civil penalty of \$11,425.

15 24. The Director agrees to SUSPEND the collection of \$10,925 of the \$11,425  
16 CIVIL PENALTY assessed herein upon the condition that Licensee commits no new  
17 violations of the Oregon Insurance Law or any administrative rules adopted thereunder.

18 25. If Licensee complies with all of the terms and conditions set out in this Order  
19 and commits no violations of the Oregon Insurance Code during the three (3) year period  
20 from the date of issuance of this Order, the Director hereby agrees to WAIVE the  
21 \$10,925 suspended CIVIL PENALTY.

22 26. The Director reserves the right to immediately assess and collect the \$10,925  
23 suspended CIVIL PENALTY upon a determination that Licensee has violated any term  
24 of this Order.

25 27. The remaining portion of the CIVIL PENALTY assessed against Licensee in  
26 the amount of \$500 is due and payable to the Department of Consumer and Business

Division of Financial Regulation  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387



1 Services at the time this Order is returned to the Division.

2 28. The Director ORDERS that no further investigation or enforcement action as  
3 to the matters identified in this Consent Order be taken against Licensee, provided  
4 Licensee complies with the following:

5 A. Licensee surrenders her resident insurance producer license effective the date  
6 of this order.

7 B. Licensee agrees to never apply for any license authorized by ORS Chapter 744;  
8 or have any equity interest in, be an officer or director of, or be employed by or contracted  
9 with, any person that is issued any license authorized by ORS Chapter 744. Licensee may  
10 however own an interest in a publically traded insurance company not to exceed 1%.

11 C. Licensee will continue to work with Aflac to payback the \$9,425 received by  
12 Licensee for the fraudulent claim. Failure to payback all of the \$9,425 by December 1,  
13 2017, will be considered a violation of this Order and all of the \$10,925 suspended  
14 amount will become due immediately.

15  
16 SO ORDERED this 23<sup>rd</sup> day of August, 2016.

17  
18 PATRICK M. ALLEN, Director  
19 Department of Consumer and Business Services

20 /s/ David Tatman  
21 David C. Tatman, Chief of Enforcement  
22 Division of Financial Regulation

23  
24  
25  
26  
Division of Financial Regulation  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

CONSENT TO ENTRY OF ORDER

I, Nora Martin, state that I have read the foregoing Order and that I know and fully understand the contents hereof; that the factual allegations stated herein are true and correct; that I have been advised of my right to a hearing, and that I have been advised of my right to be represented by counsel in this matter; that I voluntarily consent to the entry of this Order without any force or duress, expressly waiving any right to a hearing in this matter, as well as any rights to administrative or judicial review of this Order; that I understand that the Director reserves the right to take further actions against me to enforce this Order or to take appropriate action upon discovery of other violations of the Insurance Code by me; and that I will fully comply with the terms and conditions stated herein.

I understand that this Order is a public document.

/s/ Nora Martin

Signature

State of Oregon  
County of Yamill

Signed or attested before me on this 16 day of August, 2016

by Nora Martin.

/s/ Ashly Nicole Miller

Notary Public

Division of Financial Regulation  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387

