

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

Case No. INS-16-0267

In the Matter of:

DAVID C. JAMES,

Respondent.

ORDER TO CEASE AND DESIST,  
FINAL ORDER ASSIGNING  
PROBATION TERMS TO LICENSE,  
ASSESSING 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 DAVID C. JAMES (“Respondent”).

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

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

FINDINGS OF FACT

The Director FINDS that:

1. Respondent has been licensed as an Oregon resident insurance producer since February 13, 1990. His NAIC national producer number is 114080.
2. On December 3, 2015, the Division of Insurance, now known as the Division of Financial Regulation (“Division”), received notice from the Automobile Association Agency (“AAA”) of the termination of Respondent for cause effective November 11,

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



1 2015.

2 3. AAA discovered Respondent had photocopied signatures from an automobile  
3 insurance policy application and electronic funds transfer (“EFT”) authorization form to a  
4 renter’s personal property insurance policy application and EFT authorization form for  
5 same.

6 4. Respondent admitted to repurposing the customer’s signature from the  
7 automobile insurance application to the renter’s insurance application and the EFT  
8 authorization form.

9  
10 **CONCLUSIONS OF LAW**

11 The Director CONCLUDES that:

12 5. Under Oregon Revised Statutes (“ORS”) 744.074(1)(h), the Director may  
13 place a licensee on probation or suspend, revoke or refuse to issue or renew an insurance  
14 producer license and may take other actions authorized by the Insurance Code if the  
15 licensee uses fraudulent, coercive or dishonest practices, or demonstrating incompetence,  
16 untrustworthiness or financial irresponsibility in the conduct of business in this state or  
17 elsewhere.

18 6. Under ORS 731.988(1) the Director may impose a civil penalty of up to  
19 \$1,000 *per violation* upon any individual who violates a provision of the Insurance Code.

20  
21 **ORDERS**

22 Now therefore, the Director issues the following Orders:

23 7. As authorized by ORS 731.252(1), the Director ORDERS Respondent to  
24 CEASE AND DESIST from violating any provision of the Insurance Code or the  
25 administrative rules promulgated thereunder.

26 8. Based on the foregoing and in accordance with ORS 744.074(1), the Director

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1 ORDERS that Respondent's Resident Insurance Producer License include the following  
2 probationary conditions for the term of three years:

- 3 a. Respondent will obey all federal, state and local laws.
- 4 b. Respondent will comply with all applicable insurance statues, rules and  
5 regulations.
- 6 c. Respondent will notify the Director within fourteen days of all appointments  
7 with insurers or employment within the industry.
- 8 d. Respondent will notify the Director within fourteen days if there is a change  
9 in appointment or employer.
- 10 e. Respondent will complete three hours of continuing education in ethics and  
11 submit proof of completion to the Director within 180 days of issuance of License. This  
12 continuing education requirement is in addition to any other continuing education  
13 requirements for maintenance of License.
- 14 f. The term of this probation will be for three years from the date of entry of  
15 this Order without further action by the Division unless the probation period is extended  
16 by the Director.
- 17 g. If Respondent fails to comply with the conditions of this License,  
18 Respondent agrees to notify the Division of the failure to meet the conditions and  
19 surrender the License immediately. If Respondent fails to surrender the License within  
20 seven days of providing notification to the Division or from the date that the Division  
21 notifies Respondent that the Director believes that there has been a violation of this  
22 Order, whichever is earlier, Respondent agrees that his License shall be revoked  
23 immediately.
- 24 9. Based upon the foregoing and in accordance with ORS 731.988(1), the  
25 Director proposes to ORDER a CIVIL PENALTY of \$2,000.
- 26 10. The Director agrees to SUSPEND the collection of \$1,500 of the \$2,000

1 CIVIL PENALTY assessed herein upon the condition that Respondent commits no new  
2 violations of the Oregon Insurance Law or any administrative rules adopted thereunder,  
3 and complies with the conditions of probation set out in this order.

4 11. If Respondent complies with all of the terms and conditions set out in this  
5 Order and commits no violations of the Oregon Insurance Code during the three year  
6 period from the date of issuance of this Order, the Director hereby agrees to WAIVE the  
7 \$1,500 suspended CIVIL PENALTY.

8 12. The Director reserves the right to immediately assess and collect the \$1,500  
9 suspended CIVIL PENALTY upon a determination that Respondent has violated any  
10 term of this Order.

11 13. The remaining portion of the CIVIL PENALTY assessed against Respondent  
12 in the amount of \$500 is due and payable to the Department of Consumer and Business  
13 Services at the time this Order is returned to the Division.

14  
15 SO ORDERED this 24<sup>th</sup> day of September, 2016 in Salem, Oregon.

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

18 /s/ David Tatman  
19 David C. Tatman, Chief of Enforcement  
20 Division of Financial Regulation

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CONSENT TO ENTRY OF ORDER

I, David C. James, 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 Oregon 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/ David C. James

Signature

State of Oregon

County of Multnomah

Signed or attested before me on this 29<sup>th</sup> day of August, 2016

by David C. James.

/s/ Michelle Douvris

Notary Public

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