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

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| In the Matter of:<br><br>ADRIAN CONTRERAS,<br>*an individual,*<br><br>Respondent. | Case No. INS-24-0058<br><br>FINAL ORDERS TO CEASE AND DESIST, ALLOWING SURRENDER OF LICENSE, AND ASSESSING CIVIL PENALTIES, AND CONSENT TO ENTRY OF ORDER |

The Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), acting by and through the Oregon Division of Financial Regulation ("Division), and in accordance with Oregon Revised Statutes ("ORS") chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 743B, 744, 746, 748 and 750 ("Insurance Code") has concluded that Adrian Contreras (Contreras) engaged in conduct that violated the Insurance Code. Contreras wishes to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the authorized signatures subscribed on this Order, Contreras hereby CONSENTS to entry of this Order upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter.

FINDINGS OF FACT

The Director FINDS:

1. Contreras has been licensed by the Division as an Oregon resident insurance producer since March 31, 2015. Contreras' National Producer Number ("NPN") is 17546670.

2. At the time of the facts at issue in the Order, Contreras was employed by Juan Bravo Insurance Agency Inc. ("JBI"). Contreras began working for JBI a few months before receiving his Oregon Insurance Producer License, and at the time of these events

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had been employed by JBI for approximately 9 years. Contreras worked out of JBI's Beaverton office. Juan Bravo, the principal and DRLP of JBI, worked out of JBI's Woodburn office.

3. At the time of the events recounted in this Order, Contreras was a salaried employee of JBI. He did not receive commissions from the policies that he sold and serviced.

4. Until October 12, 2023, Contreras held appointments with Farmers Insurance ("Farmers") and a number of Farmers' subsidiary companies.

5. On November 15, 2023, the Division received a letter from Farmers notifying the Division that Farmers had terminated Contreras' appointment with Farmers and its subsidiary companies effective October 12, 2023.

6. Following the receipt of this letter, the Division began an investigation into Contreras' conduct as an insurance producer.

*Misleading Affinity Discount Uploads*

7. Farmers offers "affinity discounts" to insureds who meet certain criteria. Specifically, Farmers offers affinity discounts for members of certain professions and for students who maintain good grades.

8. Farmers agents are responsible for obtaining documentation to support the application of affinity discounts. Agents collect documentation from their clients and upload the documentation into Farmers' computer system.

9. The Division identified twenty-three instances where Contreras uploaded documentation to support issuance of affinity discounts that had nothing to do with the insured or with the criteria for the discount:

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| Date | Policy No. | Discount | Document |
|---|---|---|---|
| 11/21/22 | Policy No. ***109 | Affinity Accountant | 12/3/21 Request to Rerate form |
| 12/23/22 | Policy No. ***526 | Good Student | 10/24/22 Request to Rerate form |
| 12/23/22 | Policy No. ***526 | Affinity Accountant | 10/24/22 Request to Rerate form |
| 12/21/22 | Policy No. ***591 | Affinity Accountant | 12/8/22 Request to Rerate form |
| 10/24/22 | Policy No. ***745 | Affinity | 10/21/22 Payment receipt and 6/24/22 Certificate of Liability |
| 12/10/22 | Policy No. ***202 | Affinity Engineer | 12/10/22 Request to Rerate form |
| 12/14/22 | Policy No. ***202 | Good Student | 12/10/22 Request to Rerate form |
| 9/16/22 | Policy No. ***243 | Affinity Librarian | Blank piece of paper |
| 11/30/22 | Policy No. ***879 | Affinity Educator | 3/2/22 Insurance Application form |
| 11/28/22 | Policy No. ***216 | Affinity Accountant | A copy of a high school transcript |
| 11/11/22 | Policy No. ***234 | Affinity Accountant | 6/2/22 Request to Rerate Form |
| 6/29/22 | Policy No. ***636 | Good Student | Contreras notation about the household |
| 12/16/22 | Policy No. ***481 | Affinity Accountant | 3/10/22 Request to Rerate form |
| 10/12/22 | Policy No. ***682 | Affinity Accountant | A copy of a grade card |
| 11/11/22 | Policy No. ***705C | Affinity Accountant | 11/11/22 Request to Rerate form |
| 12/20/22 | Policy No. ***664 | Affinity Accountant | 11/1/22 Request to Rerate form |

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|---|---|---|---|
| 12/20/22 | Policy No. ***152 | Affinity Accountant | 12/20/22 Request to Rerate form |
| 11/11/22 | Policy No. ***635 | Affinity Accountant | 1/16/18 Payment Authorization Form |
| 10/20/22 | Policy No. ***705 | Good Student | Grade card for student unrelated to this policy. |
| 12/1/22 | Policy No. ***215 | Affinity Accountant | 10/12/23 copy of signed application |
| 10/24/22 | Policy No. ***020 | Affinity | Coverage rejection form for another policyholder |
| 12/12/22 | Policy No. **822 | Affinity Accountant | 2/28/22 Request to Rerate |
| 11/11/22 | Policy No. **223 | Affinity Accountant | 10/28/22 Declaration page |

10. When he was interviewed by the Division's investigator, Contreras admitted that he uploaded the documents as "placeholders" for the required documentation. Contreras stated that he intended to go back and upload appropriate documents at a later date, but never got around to it.

11. The effect of uploading these "placeholder" documents was that Contreras knowingly deceived Farmers into applying affinity discounts and good student discounts without collecting the required supporting documentation.

*Altered Request to Rerate Forms*

12. Farmers uses consumer credit history and insurance scores as a factor in determining insurance premiums.

13. Every year, Farmers' customers are able to request that Farmers' re-rate their insurance premiums using the same criteria that Farmers would use if the customer was a

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new customer. Customers make this request by submitting a "Request to Rerate" form through their insurance producer.

14. The Request to Rerate form authorizes Farmers to obtain information from the customer's credit report to produce a new credit-based insurance score. Farmers requires that customers sign a new Request to Rerate form each time the customer requests a new rate from Farmers.

15. The Division identified five instances where Contreras submitted altered Request to Rerate forms to Farmers on behalf of JBI customers. In each instance, Contreras altered the date on a previously-submitted Request to Rerate form that included the wet ink signature of the customer, rather than having the customer sign the form.

16. The effect of submitting these altered "Request to Rerate" forms was to bypass requirements put in place by Farmers to prevent unauthorized access to the credit and financial information of Farmers' customers.

## CONCLUSIONS OF LAW

The Director CONCLUDES that:

*Dishonesty in Insurance Transactions*

17. ORS 744.074(1)(h) forbids "[u]sing fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility" in the business of insurance.

18. Contreras violated ORS 744.074(1)(h) by uploading 23 unrelated documents to induce Farmers to apply affinity and good student discounts to policies held by JBI's customers.[1]

19. In addition, Contreras violated ORS 744.074(1)(h) by submitting five altered Request to Rerate forms.

[1] The Division has initiated an enforcement case against Juan Bravo and JBI as related to the conduct described in this Notice Order. *See* Case No. INS-24-0057.

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*Cease and Desist Authority*

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

*License Revocation Authority*

21. Pursuant to ORS 744.074(1)(h), the Director may "place a licensee on probation or suspend, revoke or refuse to issue or renew an insurance producer license" if a licensee uses "fraudulent, coercive or dishonest practices" or demonstrates "incompetence, untrustworthiness or financial irresponsibility in the conduct of business."

*Civil Penalties Authority*

22. Pursuant to ORS 731.988(1), the Director may assess civil penalties in the amount of $1,000 per violation against any person who violates the Insurance Code.

ORDERS

Now therefore, the Director issues the following Orders:

*Order to Cease and Desist*

23. As authorized by ORS 731.252(1), the Director ORDERS Contreras to CEASE AND DESIST from violating any provision of the Insurance Code or the administrative rules promulgated thereunder, including but not limited to engaging in any further fraudulent conduct described in this Order.

*Voluntary License Surrender*

24. In lieu of revocation under ORS 744.074(1)(h), Contreras hereby voluntarily SURRENDERS his Oregon resident insurance producer license. Contreras' voluntary license surrender shall be effective immediately upon the signing of this Order by Contreras.

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25. Contreras hereby agrees to refrain from employment in the insurance industry, in any capacity, for a period of five years from the effective date of this Order. This provision extends to any and all entities for whom Contreras is a partner, member, manager, officer or director, occupies a similar status, performs similar functions and/or exercises management or control.

*Civil Penalties*

26. Pursuant to ORS 731.998(1), the Director hereby assesses CIVIL PENALTIES against Contreras in the amount of $28,000 as follows:

(a) $23,000 for violating ORS 744.074(1)(h) in 23 instances by uploading documents intended to mislead Farmers regarding affinity and good student discounts, as described in Paragraphs 7-11, above; and

(b) $5,000 for violating ORS 744.074(1)(h) in 5 instances by submitting altered Request to Rerate forms, as described in Paragraphs 12-16, above.

27. The Director hereby SUSPENDS $25,000 of the $28,000 civil penalty for a period of three years from the effective date of this Order, provided that Contreras commits no new violations of the Insurance Code or of any rules adopted thereunder, and that Contreras does not violate any of the terms of this Consent Order.

28. The remaining $3,000 of the CIVIL PENALTY assessed herein is due and payable at the time this Order is returned to the Division.

29. The suspended CIVIL PENALTY will be waived three years from the effective date of this Order, provided Contreras has complied with the forgoing terms. Contreras's failure to satisfy any terms of this Order shall render the suspended penalties immediately due and owing.

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## FINAL ORDER

30. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, the entry of this Order does not limit other remedies that are available to the Director under Oregon law.

SO ORDERED this 15th day of September, 2026.

Sean E. O'Day, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
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CONSENT TO ENTRY OF ORDER

I, ADRIAN CONTRERAS, state that I have read the foregoing Consent 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 Consent 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 Consent Order; that I understand that the Director reserves the right to take further actions against me to enforce this Consent 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 Consent Order is a public document.

/s/ Adrian Contreras

Signature

State of Oregon

County of Washington

Signed or attested before me on this 11th day of September, 2026 by ADRIAN CONTRERAS.

/s/ Lubna Layth Mahmood

Notary Public

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Salem, OR 97301-3881
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