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

In the Matter of	**Case No. INS-24-0040**
FRANK A. EPSTEIN	FINAL ORDERS TO CEASE AND DESIST AND REVOKING NONRESIDENT INSURANCE PRODUCER LICENSE, ENTERED BY DEFAULT
Respondent	

On October 31, 2024, the Division of Financial Regulation ("Division"), acting on behalf of the Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), served an Order to Cease and Desist, Proposed Order to Revoke License, and Notice of Right to an Administrative Hearing ("Notice") on Frank A. Epstein ("Respondent") via regular and certified United States mail.[1]

The Notice offered Respondent an opportunity for a hearing if requested within 20 days of the Notice. The Notice further informed Respondent that if a hearing were not conducted because Respondent did not timely request a hearing or otherwise defaulted, then the designated portion of the Division's file and all materials submitted by Respondent in this case would automatically become part of the contested case record for the purpose of proving a prima facie case.

The Director did not receive a request for a hearing from Respondent and did not conduct a hearing.

The Director finds that the record of this proceeding proves a prima facie case.

Now, therefore, after considering the relevant portions of the Division's file relating to this matter, the Director finds and orders as follows:

///

[1] Notice was also served on counsel for Respondent via regular mail.

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

FINDINGS OF FACT

The Director FINDS that:

1. Epstein's National Association of Insurance Commissioners (NAIC) National Producer Number (NPN) is 789727.

2. Epstein obtained his Oregon non-resident insurance producer license in February 2018 and, at all material times, was employed by Gerber Life Insurance Company (Gerber Life) as an Insurance Sales Representative in his home state of Illinois.

3. On or about September 26, 2023, the Division received a termination letter from Gerber Life which stated that Gerber Life had terminated Epstein's employment and appointment "for cause" due to "using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business."

4. On or about October 10, 2023, following his termination from Gerber Life, Epstein executed a voluntary surrender of his Oregon non-resident insurance producer license.

5. After receiving the termination letter from Gerber Life, the Division began an investigation into the matter. At the Division's request, Gerber Life provided an Investigative Report and supporting documentation concerning its investigation which revealed that Epstein had submitted insurance applications of two Oregon consumers to Gerber Life without those consumers' consent or knowledge.

6. On March 26, 2024, following its investigation into Epstein's conduct at Gerber Life, the Arizona Department of Insurance and Financial Institutions entered into a Consent Order wherein Epstein consented to the immediate revocation of his Arizona non-resident insurance producer license.

7. On April 29, 2024, the Illinois Department of Insurance, following its investigation into Epstein's conduct at Gerber Life, entered into an Agreed Order of

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

Revocation wherein Epstein consented to the "revocation of his Illinois insurance producer license." Epstein additionally agreed that he is "ineligible to apply for any Illinois insurance producer licenses for three (3) years" after the execution of the Agreed Order of Revocation.

CONCLUSIONS OF LAW

8. Pursuant to ORS 744.074(1)(i), the Director may revoke an insurance producer's license if any state revokes the producer's license or other evidence of authority to act as an adjuster or an insurance producer or consultant. The record of the revocation shall be conclusive evidence of the action taken.

9. Because the Illinois Department of Insurance and Arizona Department of Insurance and Financial Institutions have revoked Epstein's license to act as an insurance producer, the Director may revoke Epstein's non-resident insurance producer license pursuant to ORS 744.074(1)(i).

10. By submitting insurance applications of two Oregon consumers to Gerber Life without those consumers' consent or knowledge, Epstein engaged in two violations of ORS 744.074(1)(h). Accordingly, the Director may revoke Epstein's non-resident insurance producer license pursuant to ORS 744.074(1)(h).

11. Under 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, directed to such person, to discontinue or desist from such violation or threatened violation.

12. Because the Director has reason to believe that Epstein has violated the Insurance Code, including ORS 744.074(1)(h), the Director may issue an order directed to Epstein to discontinue or desist from that violation under ORS 731.252(1).

///

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

ORDERS

The Director issues the following ORDERS:

Order to Cease and Desist

13. Pursuant to the authority of ORS 731.252(1), the Director hereby orders Epstein to CEASE AND DESIST from violating ORS 744.074(1)(h).

Order Revoking License

14. Pursuant to ORS 744.074(1)(i) and ORS 744.074(1)(h), the Director hereby REVOKES Epstein's non-resident insurance producer license.

FINAL ORDER

15. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, entry of this Order does not limit or prevent further remedies available to the Director under Oregon law to enforce this Order or take action for violations of this Order or of the Insurance Code not covered by this Order.

IT IS SO ORDERED.

Dated this 3rd day of December 2024

Andrew Stolfi, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

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

NOTICE OF RIGHT TO JUDICIAL APPEAL

Judicial review of final orders in contested cases is governed by ORS 183.482. Respondent may request judicial review by filing a petition with the Court of Appeals in Salem, Oregon, within 60 days from the date this order is served.