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

In the Matter of:	Case No. INS-25-0018
CHRISTIANN M. MABEE, Respondent.	ORDER TO CEASE AND DESIST, AND ORDERS REVOKING LICENSE AND ASSESSING CIVIL PENALTIES, ENTERED BY DEFAULT

On November 30, 2023, 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") 731, 732, 733, 734, 735, 737, 742, 743, 743A, 743B, 744, 746, 748 and 750 ("Insurance Code"), served an Order to Cease and Desist, Proposed Orders Revoking License and Assessing Civil Penalties, and Notice or Right to a Hearing ("Notice") on Christiann M. Mabee ("Mabee").

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

Mabee did not submit a request for hearing to the Director, and the Director 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.

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. Mabee is licensed as an Oregon resident insurance producer. Mabee's National Producer Number (NPN) is 20446657. Mabee's last known business address is 1402 Taylor St., Oregon City, Oregon 97045-1772. However, at the time of the events at issue in this Order, Mabee's business address was 3820 Shasta Way, Klamath Falls, Oregon 97603.

2. From September of 2022 through December 11, 2024, Mabee held an appointment with Farmers Insurance ("Farmers").

3. From September of 2022 through December 11, 2024, Mabee operated an insurance agency in Klamath Falls. At the time of the events at issue in this Order, Mabee had one employee licensed as an insurance producer and a second employee who was studying toward becoming a licensed producer. Mabee's net monthly commissions for the first half of 2024 averaged $7,704 per month, though the actual revenues of Mabee's agency varied from month-to-month.

Mabee's Handling of Cash Premiums

4. Many of Mabee's customers paid their premiums in cash, with the understanding that Mabee would deposit these cash premium payments and use them to satisfy the premiums on the customer's insurance policies. Mabee purported to retain these cash premium payments on the premises of her agency until such time as Mabee—or one of Mabee's employees—could deposit the funds in the bank.

5. In her interview with the Division's investigator, however, Mabee admitted to using cash from customer premium payments to satisfy her agency's expenses.

6. Mabee's practice was to put an "IOU" in the cash drawer in the amount of any cash taken from premium payments. Mabee would then satisfy the IOU from subsequent cash premium payments received from customers, or from her own funds. An investigation revealed that Mabee replaced premium payment cash with IOUs in at least four instances.

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

7. Farmers conducted an audit of Mabee's receipts and bank deposits. Based on this audit, Farmers concluded that Mabee was short $2,862.24 from premiums that her customers had paid in cash.

8. As a result of these improper practices, on December 11, 2024, Farmers terminated Mabee's appointment for cause and reported the termination to the Division.

Mabee's Change of Address

9. On or about November 1, 2024, Mabee ceased working at her agency in Klamath Falls and relocated to Oregon City.

10. Mabee did not update her business address on file with the Division until February 19, 2025.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

Conversion

11. ORS 744.074(1)(d) forbids any person from "withholding, misappropriating or converting any moneys or properties received" in the course of doing insurance business.

12. Mabee violated ORS 744.074(1)(d) in at least four instances by using funds that were remitted to her for the purpose of paying her clients' insurance premiums to instead pay for her agency's expenses.

Misappropriation of Premiums

13. Pursuant to ORS 746.120, no person shall willfully collect any sum as premium or charge for insurance which is not then provided or is not in due course to be provided subject to acceptance of the risk by the insurer, under an insurance policy issued by an insurer in conformity to the Insurance Code.

14. Mabee violated ORS 746.120 in at least four instances by using funds collected to pay her client's insurance premiums to instead pay for her agency's business expenses.

/ / /

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

Comingling Agency Trust Assets

15. ORS 744.083(1) and (2) require that all premium funds received by an insurance producer "be accounted for and maintained in a trust account separate from all other business and personal funds," and prohibits a producer from comingling or otherwise combining premiums with any other moneys.

16. Mabee violated ORS 744.083(1) and (2) in at least four instances by using cash collected to pay customer insurance premiums to pay for her agency's business expenses and by using her personal funds to make up the resultant shortfall.

Unreported Change of Address

17. ORS 744.068(4)(a) requires insurance producers to notify the Director within 30 days of any change of address.

18. Mabee violated ORS 744.068(4)(a) by failing to timely report her change of address from Klamath Falls to Oregon City.

Authority for Licensing Action

19. Pursuant to ORS 744.074(1)(d), the Director may "place a licensee on probation or suspend, revoke or refuse to issue or renew an insurance producer license" for "[i]mproperly withholding, misappropriating or converting any moneys or properties received" in the course of the insurance business.

20. Mabee improperly withheld, misappropriated or converted money or property received in the course of her insurance business as described in Paragraph 11-14 above, thereby authorizing the Director to suspend or revoke Mabee's insurance producer license pursuant to ORS 744.074(1)(d).

/ / /

/ / /

/ / /

/ / /

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

Cease and Desist Authority

21. 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.

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

The Director issues the following Orders:

License Revocation

23. Pursuant to ORS 744.074(1)(d), the Director hereby REVOKES Mabee's Oregon resident insurance producer license.

Civil Penalties

24. The Director hereby assesses CIVIL PENALTIES against Mabee in the amount of $6,500 as follows:

(a) $2,000 for violating ORS 744.074(1)(d), as described in Paragraphs 11-12, above;

(b) $2,000 for violating ORS 746.120, as described in Paragraphs 13-14, above;

(c) $2,000 for violating ORS 744.083(1) and (2) as described in Paragraphs 15-16, above; and

(d) $500 for violating ORS 744.068(4)(a) as described in Paragraphs 17-18, above.

/ / /

/ / /

/ / /

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

FINAL ORDER

25. 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 9th day of October, 2025.

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

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

NOTICE OF RIGHT TO JUDICIAL APPEAL

Judicial review of final orders in contested cases is governed by ORS 183.482. Respondents 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 serve.

[The remainder of this page intentionally left blank.]

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