

STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION

In the Matter of **Puget's Sound Agricultural Society Ltd.**) **FINAL ORDER**
) Case No. INS 01-11-007

The Director of the Oregon Department of Consumer and Business Services (director), by and through the Insurance Division, commenced the above entitled administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take disciplinary action against Puget's Sound Agricultural Society Ltd. (PSASL).

On 11/29/01, the director issued a Notice of Proposed Action (Notice), pursuant to ORS 183.415 and Oregon Administrative Rules (OAR) 137-003-505, proposing to order PSASL to immediately cease and desist from allegedly violating ORS 731.354, pursuant to ORS 731.252, and to assess PSASL a civil penalty of \$10,000 pursuant to ORS 731.988(1) for allegedly violating ORS 731.354, as specifically described therein.

On 12/17/01, the director received from PSASL a written request for a hearing.

On 1/11/02, the director issued an Amended Notice of Proposed Action (Amended Notice) proposing to only assess PSASL the civil penalty of \$10,000 pursuant to ORS 731.988(1).¹ The Amended Notice informed PSASL that it had a right to a hearing and to be represented by an attorney at the hearing. The Amended Notice also informed PSASL that if the director issued a Final Order by default, then the director designated the Insurance Division's investigation file in this matter as part of the record for the purpose of proving a prima facie case upon default.

¹ On 1/11/02, the director issued a Cease and Desist Order (C&D) ordering PSASL to immediately cease and desist from violating ORS 731.354 by transacting insurance in Oregon without being authorized as an insurer to do so. The C&D informed PSASL that it had a right to a hearing and to be represented by an attorney at the hearing. The director did not receive from or on behalf of PSASL any request for a hearing relative to the C&D. Therefore, the C&D became final on 2/1/02.

A cover letter with the Amended Notice informed PSASL that it needed to again request a hearing if it still wanted a hearing.

The director did not receive from or on behalf of PSASL any request for a hearing.

The director determined that the Insurance Division's investigation file in this matter proved a prima facie case and no hearing was necessary. Consequently, the director did not hold any hearing in this matter.

Therefore, the director makes the following final decision in this proceeding in accordance with ORS 731.248 and 183.470, and related rules.

Findings of Fact

Identity and Licensing

In its former website at www.pasasl.org, and in its documents, PSASL referred to itself as "Article 1, §2 Government c/o Jesus Christ Administrators (Isaiah 9:6)/JCA; Puget's Sound Agricultural Society, Limited / PSASL (a Membership Society for a Moral Christian People." In its current website at <http://www.pasasl.org>, PSASL has changed its name to "Puget Sound Agricultural Society, Ltd."

In the United States, PSASL's last known street address is 6323 Highway 193, Suite 4, Georgetown, CA; its mailing address is PO Box 900 Georgetown, CA 95634-0900; its voice telephone number is 530-333-0569, and its fax number is 530-333-0576. In Canada, PSASL's last known address is 160-1215 Valmont Way, Richmond, British Columbia, Canada V6V1Y3, and its voice telephone number is 604-232-9851, and its fax number is 604-232-9853.

James S. Kalfsbeek was the President and is purportedly now the Chairman of the Board of directors PSASL. Kalfsbeek's last known residence address is PO Box 388, Arbuckle, CA 95912-0388 and his residence telephone number is 530-476-3189.

PSASL has never been issued a certificate of authority to act as an insurer in Oregon by the director.

Transacting Insurance as an Insurer without a Certificate of Authority

PSASL issued to Philip J. Holmes (Holmes) of Beaverton, Oregon a document entitled a "Guaranty of Surety" dated 5/16/97. PSASL also issued to Holmes a card entitled "Oregon Evidence of Financial Responsibility" effective from 3/3/99 to 3/3/00. Both documents purported to provide to Holmes automobile liability coverage in accordance with Oregon's motor vehicle financial responsibility laws, ORS Chapter 806.

Ultimate Findings of Fact and Conclusion of Law

PSASL violated ORS 731.354 in one instance by transacting insurance as an insurer in Oregon without being issued a certificate of authority to act as an insurer in Oregon by the director.

Order

PSASL shall pay a civil penalty of \$10,000 pursuant to ORS 731.988. Payment shall be made in the form of a check payable to the "Department of Consumer and Business Services" for the full amount due. Payment shall be delivered or mailed to the Insurance Division at 350 Winter Street NE, Room 440, Salem, OR 97301-3883. Payment shall be received by the Insurance Division by 5:00 PM (PT) on the 71st calendar day after the date of this order pursuant to ORS 183.090(2).

Notice of Judicial Review

Pursuant to ORS 183.480 and 183.482, PSASL may request the Oregon Court of Appeals to review this order by filing a written petition for judicial review with the court within 60 calendar days after the date this order was sent to PSASL.

Dated February 6, 2002

/s/ Mary C. Neidig
Mary C. Neidig
Director
Department of Consumer and Business Services

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