STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION

In the Matter of **William L. Sampson**.	) **STIPULATION** and) **FINAL ORDER**) Case No. 01-11-008) File No. 2110 IV

STIPULATION

The Director of the Department of Consumer and Business Services (Director) commences the above entitled administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take disciplinary action against William L. Sampson (Sampson) for violating the Oregon Insurance Code as specified herein.

Sampson enters into this Stipulation to conclude this proceeding without further administrative or judicial proceedings, as provided by ORS 183.415(5) and related rules.

Sampson waives the right to receive a notice of proposed action, to receive a notice of rights and procedures in contested cases, to have a hearing, to be represented by an attorney at the hearing, and to judicial review of the Final Order.

Sampson admits and agrees to the following facts, conclusions, and action.

Facts and Conclusions

Licensing

Sampson has been licensed in Oregon as a resident insurance agent since 6/4/93. Sampson's license number is 603755. Sampson's residence address is 2055 Rogue River Highway, Gold Hill OR 97525-9580, residence telephone number is 541-855-5529; business address is 724 S Central Avenue Suite 204, Medford OR 97501-7833, and business telephone number is 541-732-0441.

Making Misrepresentation in Insurance Transaction

Sampson violated ORS 744.013(2)(f) in one instance by engaging in the following conduct. On or about 1/26/97, Sampson solicited and received from Linda J. Reay (Reay) of West Linn, Oregon, an application for, *inter alia*, major medical health insurance, policy number 7732323965, to be issued by PFL. During the solicitation,

Sampson told Reay that the policy covered "marriage, family and child counseling" expenses. Sampson emphasized his statement by crossing out, and writing “inc” meaning “included” to the side of, a paragraph in a marketing brochure that listed expenses for “marriage, family, or child counseling for the treatment of premarital, marriage, family or child relationship dysfunctions” as excluded from the policy. This statement that such expenses were covered by the policy was false. Sampson knew or should have known that this statement was false because the marketing brochure expressly indicated that the expenses were not covered.

Failing to Respond or Promptly Respond to Director

Sampson violated ORS 731.296 in four instances by engaging in the following conduct.

a. On or about 1/8/98, the Insurance Division mailed by certified mail, article number Z 429 077 305, a cover letter to Sampson at 16880 Maple Circle, Lake Oswego OR 97034-5629. The letter informed Sampson that the Insurance Division had previously mailed to Sampson at least one inquiry letter each regarding four complaints but had not received any response from Sampson. The Insurance Division had mailed the inquiry letters to Sampson at his last known business address of 4490 SW Lakeview Boulevard, Lake Oswego OR 97035. However, all of the inquiry letters were returned with a label indicating that Sampson had moved to 6880 Maple Circle, Lake Oswego OR 97034-5629. The cover letter enclosed the inquiry letters. The cover letter requested Sampson to provide the requested information to the Insurance Division by 1/18/98. On 1/10/98, Sampson received the cover letter. Sampson never responded as requested. The complainant and the date of the inquiry letter relative to each complaint is as follows:

Complainant	Complaint No.	Date of Letter
Teresa E. Schroeder	72186	7/18/97
Sharon R. Leppert	73086	9/18/97
Jan M. Nerenberg	73183	10/6/97
Karen Sheridan	73925	11/21/97

b. On or about 3/5/98, the Insurance Division mailed by first class mail a letter to Sampson at 16880 Maple Circle, Lake Oswego OR 97034-5629. The letter requested Sampson to provide in writing certain information regarding a complaint, number 75142, from Linda J. Reay of West Linn, Oregon. The letter requested Sampson to provide the information to the Insurance Division by 3/26/98. On 3/31/98, five days late, the Insurance Division received from Sampson a letter dated 3/19/98.

c. On or about 5/29/98, the Insurance Division mailed by first class mail a letter to Sampson at 16880 Maple Circle, Lake Oswego OR 97034-5629. The letter requested Sampson to provide in writing certain information regarding a complaint, number 75168, from Bradley R. Knowland of Portland, Oregon. The letter requested Sampson to provide the information to the Insurance Division by 6/19/98. On 6/22/98, the Insurance Division mailed by first class mail a follow up letter to Sampson at the same address informing Sampson that the Insurance Division had not received any response to the letter dated 5/29/98. On 7/1/98, 12 days late, the Insurance Division received by fax from Sampson a letter dated 6/29/98.

d. On or about 7/7/98, the Insurance Division mailed by first class mail a letter to Sampson at 724 S. Central #204, Medford OR 97501. The letter requested Sampson to provide in writing certain information regarding a complaint, number 76503, from Christine R. Terwilleger of Portland, Oregon. The letter requested Sampson to provide the information to the Insurance Division by 7/28/98. On 8/13/98, 16 days late, the Insurance Division received from Sampson a letter dated 7/30/98.

Action

Sampson shall pay a civil penalty of $2,000 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 the date of the Final Order.

Dated December 26, 2001. /s/ William L. Sampson
William L. Sampson

FINAL ORDER

The Director makes the following final decision in this proceeding in accordance with ORS 731.248 and 183.415(5) and related rules.

The Director adopts, and incorporates herein by this reference, the Facts, Conclusions, and Action in the above Stipulation as the Findings of Fact, Conclusions of Law, and Order, respectively, of this Final Order.

Dated January 4, 2002. /s/ Mary C. Neidig
Mary C. Neidig
Director
Department of Consumer and Business Services

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