

Authorizing an Unlicensed Person to Transact Insurance

OCIA violated ORS 744.054 (1999) by permitting Wilson to engage in the following conduct. At all relevant times, Wilson was one of three partners of OCIA and had the same authority as the other partners to manage OCIA. Wilson was licensed in Oregon as a resident individual insurance agent from 11/2/90 to 11/30/93, from 2/9/94 to 11/30/95 and from 2/21/96 to 11/30/99. When licensed, Wilson was also an insurance agent affiliated with OCIA pursuant to ORS 744.031(1) (1999). On 11/30/99, Wilson's license expired because she did not renew it. In 12/99, 3/00 and/or 5/00, Wilson communicated with the Insurance Division about what she needed to do to renew her license. In 1/00, Wilson talked to Strong about Wilson needing to renew her Oregon insurance agent license. Wilson never renewed her license. Nevertheless, from 2/9/00 to 3/17/00, Wilson, on behalf of OCIA, solicited, completed and received from seven persons residing in Oregon seven applications for insurance. On 2/22/01, Wilson also issued an insurance binder to Bruce Schulz. The application date, applicant, policy number, and insurer relative to each transaction is as follows:

<u>Date</u>	<u>Applicant</u>	<u>Insurer</u>	<u>Policy Number</u>
2/9/00	Gene Sinks	Progressive Northwestern Ins. Co.	65716436-0
2/16/00	Joseph Smith	Northland Ins. Co.	TN265659
2/17/00	Bruce Schulz	Progressive Northwestern Ins. Co.	04474925-0
2/22/00	Kirk Pelzholdt	Northland Ins. Co.	TN285859
2/24/00	Erwin Martin	Clarendon National Ins. Co.	63D0914382
2/25/00	Stephen Grace	Clarendon National Ins. Co.	63D0914386
3/17/00	Russell Peterson	Clarendon National Ins. Co.	63D0914637

Action

OCIA shall pay a civil penalty of \$7,000 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 May 1, 2002.

If payment is not received by the Insurance Division by the above due date, then the director may take other authorized action against OCIA, including revoking or suspending OCIA's Oregon insurance agent license.

OCIA shall not authorize or permit Wilson, or any other person employed by or affiliated with OCIA, to transact insurance when such person is not licensed in Oregon as an insurance agent at the time of the transaction.

Dated March 21, 2002

/s/ Alexa A. Clason
Alexa A. Clason
Partner

/s/ Dianne M. Strong
Dianne M. Strong
Partner

Oregon Commercial Insurance Agency

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, Ultimate Facts, Conclusions, and Action in the above Stipulation as the Findings of Fact, Ultimate Findings of Fact, Conclusions of Law, and Order, respectively, of this order.

Dated March 27, 2002

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

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