STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION

In the Matter of **Soo Man Pai**.	)	**STIPULATION** and
	)	**FINAL ORDER**
	)	Case No. INS 02-12-022

STIPULATION

The Director of the Department of Consumer and Business Services (director) commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take disciplinary action against Soo Man Pai (Pai).

Pai enters into this Stipulation, pursuant to ORS 183.415(5), to conclude this proceeding without further administrative or judicial proceedings.

Pai waives the right to receive a Notice of Proposed Action, to receive a notice of the rights of a party 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.

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

Facts and Conclusions

Licensing

Pai was licensed in Oregon as a resident individual agent from 4/13/93 to 4/30/96. Pai's license expired on 4/30/96 because he did not renew it. Pai's license number was 603446. Pai's last recorded residence address is in Beaverton, Oregon.

Transacting Insurance Without a License

Pai violated ORS 744.053 in 31 instances by engaging in the following conduct. At all relevant times, Pai was not licensed in Oregon as an insurance agent. From 5/1/96 to 6/26/02, Pai transacted insurance in Oregon. Specifically, from 1/7/02 to 5/30/02, Pai solicited and received from 27 persons residing in Oregon 31 applications and premium for property and casualty insurance to be provided by Allstate Insurance Company, Allstate Indemnity Company or Allstate Property and Casualty Insurance Company.

Use of Dishonest Practice

Pai violated ORS 744.074(2)(h) by engaging in the following conduct. On an unknown date, a representative of the Allstate group of insurance companies (Allstate) requested that Pai provide to Allstate a copy of Pai's current license. On or about 5/16/02, Allstate received from Pai a copy of a license. The license indicated that it was issued to Pai and was effective from 4/30/02 to 4/30/04. By sending the license to Allstate, Pai represented to Allstate that Pai was then licensed in Oregon as an insurance agent. This representation was false and Pai knew that it was false. Pai's license expired on 4/30/96, and the Insurance Division did not subsequently renew the expired license or issue a new license to Pai. Also, Pai altered the issuance and expiration dates on his expired license. On 6/19/02, Allstate asked the Insurance Division if Pai was currently licensed. Subsequently, the Insurance Division informed Allstate that Pai was not currently licensed, and had not been licensed since 4/30/96. On or about 6/26/02, Allstate terminated Pai.

Action

Pursuant to ORS 744.013(1) / 744.074(1), a license as an insurance agent shall not be issued to Pai.

In consideration of the director not assessing Pai a civil penalty of $7,000 pursuant to ORS 731.988, Pai agrees to the following. Pai will not apply for any license authorized by ORS Chapter 744. Pai will not own in whole or in part any business organization that is issued any license authorized by ORS Chapter 744. Pai will not be or act as a director, officer, or employee of; an independent contractor for; or in any other capacity for or on behalf of, any individual or business organization that is issued any license authorized by ORS Chapter 744.

Dated January 13, 2003 /s/ Soo Man Pai
Soo Man Pai

FINAL ORDER

The director adopts, and incorporates herein by this reference, the above Stipulation as the director's final decision in this proceeding.

Dated February 11, 2003

/s/ Cory Streisinger
Cory Streisinger
Director
Department of Consumer and Business Services

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