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

In the Matter of: BRIAN M. KENNISON, Respondent.	Case No. INS-17-0122 FINAL ORDER TO CEASE AND DESIST, FINAL ORDER REVOKING LICENSE, FINAL ORDER ASSESSING CIVIL PENALTY AND CONSENT TO ENTRY OF ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), acting in accordance with Oregon Revised Statutes ("ORS") chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 743B, 744, 746, 748 and 750 ("Insurance Code"), has conducted an investigation into the insurance related activities of Brian M. Kennison ("Respondent").

On November 14, 2017, the Director, by and through the Oregon Division of Financial Regulation ("Division"), properly served notice ("Notice Order") on Respondent that the Director intended to revoke the resident insurance producer license of Respondent and impose a total civil penalty of $22,000.

Respondent wishes to resolve and settle this matter with the Director and the Director concludes that the goal to protect the public is served with the issuance of this Consent Order.

Now therefore, as of the date of entry of this Consent Order, the Notice Order is vacated and this Consent Order becomes final.

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. Respondent is an Oregon resident with his last recorded residence address at

8311 SW 57th Avenue, Portland, OR 97219. Respondent has been a licensed resident individual insurance producer since April 22, 2003.

2. Respondent was registered as a broker/dealer with US Bancorp Investments Inc. ("USBI") from March 2002 through July 2016. USBI is a subsidiary of US Bancorp ("US Bank").

3. Respondent was appointed with Pacific Life Insurance Company ("Pacific Life") in the state of Oregon to sell its products from on or before May 11, 2016 through September 14, 2016.

4. At all relevant times, the individuals hereinafter referred to as "TM" and "DM" were Oregon residents. On March 12, 2015, Respondent wrote a $15,000 counter check on the US Bank account of TM and DM without their knowledge or consent. Respondent made the $15,000 check payable to Respondent's ex-wife and deposited the check into their joint account. Respondent admitted to taking the funds.

5. At all relevant times, the individual hereinafter referred to as "CG" was an Oregon resident.

A. On April 4, 2016, Respondent wrote a $40,000 counter check on the US Bank account of the living trust of "CG" without her knowledge or consent. Respondent made the $40,000 check payable to Respondent's ex-wife and deposited the check into their joint account. Respondent admitted to taking the funds.

B. On May 11, 2016, Respondent forged CG's signature and completed a $40,000 withdrawal request on CG's Pacific Life fixed annuity contract without her knowledge or consent. Respondent instructed Pacific Life to deposit the $40,000 into CG's US bank account. On May 11, 2016, Respondent wrote a $40,000 counter check on the US Bank account of CG without her knowledge or consent. The check was made payable to Respondent's ex-wife and deposited into their joint account. Respondent admitted to taking the funds.

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6. At all relevant times, the individuals hereinafter referred to as "NS" and "SS" were Oregon residents. On May 17, 2016, Respondent requested a $19,000 debit on the US Bank account of NS and SS without their knowledge or consent. The $19,000 was offset by a US Bank cashier's check made payable to USBI and deposited in Respondent's US Bank brokerage account. Respondent admitted to taking the funds.

7. At all relevant times, the individuals hereinafter referred to as "PS" and "SS" were Oregon residents. On May 17, 2016, Respondent requested a $19,000 debit on the US Bank account of PS and SS without their knowledge or consent. The $19,000 was offset by a US Bank cashier's check made payable to USBI and deposited in Respondent's US Bank brokerage account. Respondent admitted to taking the funds.

8. At all relevant times, the individual hereinafter referred to as "BS" was an Oregon resident.

A. On May 26, 2016, Respondent wrote a $20,000 counter check on the US Bank account of BS without her knowledge or consent. Respondent made the $20,000 check payable to Respondent's ex-wife and deposited the check into their joint account. Respondent admitted to taking the funds.

B. On June 25, 2016, Respondent wrote a $20,000 counter check on the US Bank account of BS without her knowledge or consent. Respondent made the $20,000 check payable to Respondent's ex-wife and deposited the check into their joint account. Respondent admitted to taking the funds.

9. On July 1, 2016, Respondent was terminated by USBI for misappropriation of client funds.

10. On September 1, 2016, in the Circuit Court of the State of Oregon for Multnomah County, Case No. 16CR53400, Respondent was arraigned on seven felony charges; three charges of Kidnapping in the First Degree, one charge of Kidnapping in the Second Degree, one charge of Attempt to Commit a Class A Felony, one charge of

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Attempt to Commit a Class B Felony and one charge of Coercion.

11. As of the date of this Order, Respondent has not reported to the Director the seven felony charges described in Paragraph 10.

12. Effective September 14, 2016, Respondent's appointment with Pacific Life was terminated for cause.

13. On September 27, 2016, in the Circuit Court of the State of Oregon for Multnomah County, Case No. 16CR61022, Respondent was arraigned on seven felony charges of Aggravated Theft in the First Degree.

14. As of the date of this Order, Respondent has not reported to the Director the seven felony charges described in Paragraph 13.

15. On September 19, 2016, the Division of Financial Regulation received a Termination of Appointment Notice from Pacific Life.

16. On November 14, 2017, the Division properly served notice on Respondent that the Director intended to revoke Respondent's resident insurance producer license and impose a $22,000 civil penalty.

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CONCLUSIONS OF LAW

The Director CONCLUDES that:

17. 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.

18. Pursuant to ORS 744.074(1)(h), the Director may place a licensee on probation or suspend, revoke or refuse to issue or renew an insurance producer license and may take other actions authorized by the Insurance Code in lieu thereof or in addition thereto, for using fraudulent, coercive or dishonest practices, or demonstrating

incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere.

19. Respondent used fraudulent, coercive or dishonest practices, or demonstrated incompetence, untrustworthiness or financial irresponsibility on seven different occasions as described in Paragraph 4 through Paragraph 8.

20. Pursuant to ORS 744.074(1)(k), the Director may place a licensee on probation or suspend, revoke or refuse to issue or renew an insurance producer license and may take other actions authorized by the Insurance Code in lieu thereof or in addition thereto, for forging another person's name to any document related to an insurance transaction.

21. Respondent forged another person's name on a document related to an insurance transaction as described in Paragraph 5B.

22. Pursuant to ORS 744.089(2), not later than the 30th day after the initial pretrial hearing date, an insurance producer shall report to the Director any criminal prosecution of the insurance producer taken in any jurisdiction.

23. Respondent failed to report to the Director the 14 criminal prosecutions not later than the 30th day after the initial pretrial hearing date as described in Paragraph 11 and Paragraph 14.

24. Pursuant to ORS 731.988(1), the Director may impose a civil penalty of up to $1,000 per violation upon any individual who violates a provision of the Insurance Code.

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ORDERS

Now, therefore, the Director issues the following Orders:

25. As authorized by ORS 731.252(1), the Director ORDERS Respondent to CEASE AND DESIST from violating any provision of the Insurance Code or the administrative rules promulgated thereunder.

26. In accordance with ORS 744.074(1)(h), the Director hereby REVOKES Respondent's resident insurance producer license for using fraudulent, coercive or dishonest practices, or demonstrated incompetence, untrustworthiness or financial irresponsibility on seven different occasions as described in Paragraph 4 through Paragraph 8.

27. In accordance with ORS 744.074(1)(k), the Director hereby REVOKES Respondent's resident insurance producer license for forging another person's name on a document related to an insurance transaction as described in Paragraph 5B.

28. In accordance with ORS 731.988(1), the Director imposes a CIVIL PENALTY of $22,000 upon Respondent as follows:

A. A CIVIL PENALTY of $1,000 per violation for seven separate violations of ORS 744.074(1)(h).

B. A CIVIL PENALTY of $1,000 for one violation of ORS 744.074(1)(k).

C. A CIVIL PENALTY of $1,000 per violation four 14 violations of ORS 744.089(2).

29. The Director SUSPENDS the collection of the $22,000 CIVIL PENALTY assessed above and ORDERS that no further investigation or enforcement action as to the matters identified in this Consent Order be taken against Respondent, provided Respondent agrees to never apply for any license authorized by ORS Chapter 744, ORS Chapter 86A, or ORS Chapter 59; or have any equity interest in, be an officer or director of, or be employed by or contracted with, any person that is issued any license authorized by ORS Chapter 744, ORS Chapter 86A, or ORS Chapter 59. Respondent may however own an interest in a publically traded insurance or financial services company not to exceed 1%.

30. If Respondent applies for any license authorized by ORS Chapter 744, ORS Chapter 86A, or ORS Chapter 59; or obtains any equity interest in, becomes an officer or

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director of, or becomes employed by or contracted with, any person that is issued any license authorized by ORS Chapter 744, ORS Chapter 86A, or ORS Chapter 59, the CIVIL PENALTY assessed above becomes immediately due and payable.

SO ORDERED this 2nd day of January, 2018.

CAMERON C. SMITH, Acting Director
Department of Consumer and Business Services

/s/ David Tatman
David C. Tatman, Chief of Enforcement
Division of Financial Regulation

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CONSENT TO ENTRY OF ORDER

I, Brian M. Kennison, state that I have read the foregoing Consent Order and that I know and fully understand the contents hereof; that the factual allegations stated herein are true and correct; that I have been advised of my right to a hearing, and that I have been advised of my right to be represented by counsel in this matter; that I voluntarily consent to the entry of this Consent Order without any force or duress, expressly waiving any right to a hearing in this matter, as well as any rights to administrative or judicial review of this order; that I understand that the Director reserves the right to take further actions against me to enforce this Consent Order or to take appropriate action upon discovery of other violations of the Insurance Code by me; and that I will fully comply with the terms and conditions stated herein.

I understand that this Consent Order is a public document.

/s/ Brian Kennison

Signature

State of Oregon

County of Multnomah

Signed or attested before me on this 20 day of December, 2017 by Brian M. Kennison.

/s/ Michell Lori Wasson-Messer

Notary Public

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