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

In the Matter of: GEORGE L. KENGLE, Licensee.	Case No. INS-18-0108 ORDER TO CEASE AND DESIST, FINAL ORDER REVOKING LICENSE, FINAL ORDER IMPOSING CIVIL PENALTY AND CONSENT TO ENTRY OF ORDER THIS IS A FINAL 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, 744B, 744, 746, 748 and 750 ("Insurance Code") and specifically ORS 744.074(1), has conducted an investigation into the resident insurance producer license of George L. Kengle ("Licensee").

Licensee wishes to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the signature(s) subscribed on this Order, Licensee hereby CONSENTS to entry of this Order.

FINDINGS OF FACT

The Director FINDS that:

1. Licensee is an Oregon resident with his last recorded principal place of business at 985 54th Street, Springfield, OR 97478. Licensee's National Producer Number is 578675. Licensee has been a licensed resident individual insurance producer since April 9, 1996.

2. Life insurance applications involving Oregon consumer "JB":

A. On April 24, 2004, Licensee submitted a life insurance application to

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Transamerica Life Insurance Company ("Transamerica") for JB. Transamerica issued a policy to JB, effective May 1, 2004. The Transamerica Policy Data Sheet listed George L. Kengle as one of the writing agents.

B. On February 18, 2017, Licensee submitted a life insurance application to Americo Financial Life and Annuity Insurance Company ("Americo") for JB. As part of the application, Licensee signed and submitted a Producer's Statement that included the following questions and answers:

(1) The Producer's Statement asked "[h]ow long has the Agent known the Proposed Insured(s)?" Licensee answered "0."

(2) The Producer's Statement asked "[i]s there any existing life insurance or annuity coverage on the life of any Proposed Insured?" Licensee answered "No."

C. On February 20, 2017, JB signed a Full Surrender Request, requesting to surrender his Transamerica life insurance policy. On February 23, 2017, Licensee submitted JB's Full Surrender Request to Transamerica.

3. Life insurance applications involving Oregon consumer "AB":

A. On December 11, 2011, Licensee submitted a life insurance application to Transamerica for AB. Licensee signed the Agent's Report as part of AB's Transamerica application. Transamerica issued a policy to AB, effective December 12, 2011. The Transamerica Policy Data Sheet listed George L. Kengle the writing agent.

B. On July 20, 2017, Licensee submitted a life insurance application to Americo for AB. As part of the application, Licensee signed and submitted a Producer's Statement that included the following questions and answers:

(1) The Producer's Statement asked "[h]ow long has the Agent known the Proposed Insured(s)?" Licensee answered "0."

(2) The Producer's Statement asked "[i]s there any existing life insurance

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or annuity coverage on the life of any Proposed Insured?" Licensee answered "No."

C. On July 21, 2017, AB signed a Full Surrender Request, requesting to surrender his Transamerica life insurance policy and submitted the document to Transamerica.

4. Life insurance applications involving Oregon consumer "CB":

A. On December 31, 2011, Licensee submitted a life insurance application to Transamerica for CB. Licensee signed the Agent's Report as part of CB's Transamerica application. Transamerica issued a policy to CB, effective January 3, 2012. The Transamerica Policy Data Sheet listed George L. Kengle as the writing agent.

B. On July 20, 2017, Licensee submitted a life insurance application to Americo for CB. As part of the application, Licensee signed and submitted a Producer's Statement that included the following questions and answers:

(1) The Producer's Statement asked "[h]ow long has the Agent known the Proposed Insured(s)?" Licensee answered "0."

(2) The Producer's Statement asked "[i]s there any existing life insurance or annuity coverage on the life of any Proposed Insured?" Licensee answered "No."

C. On July 21, 2017, CB signed a Full Surrender Request, requesting to surrender her Transamerica life insurance policy and submitted the document to Transamerica.

5. Life insurance applications involving Oregon consumer "BC":

A. On April 6, 2013, Licensee submitted a life insurance application to Transamerica for BC. Licensee signed the Agent's Report as part of BC's Transamerica application. Transamerica issued a policy to BC, effective April 15, 2013. The Transamerica Policy Data Sheet listed George L. Kengle as the writing agent.

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B. On October 23, 2017, Licensee submitted a life insurance application to Americo for BC. As part of the application, Licensee signed and submitted a Producer's Statement that included the following questions and answers:

(1) The Producer's Statement asked "[h]ow long has the Agent known the Proposed Insured(s)?" Licensee answered "0."

(2) The Producer's Statement asked "[i]s there any existing life insurance or annuity coverage on the life of any Proposed Insured?" Licensee answered "No."

C. On October 23, 2017, BC signed a Full Surrender Request, requesting to surrender her Transamerica life insurance policy. On October 23, 2017, Licensee submitted BC's Full Surrender Request to Transamerica.

6. Life insurance applications involving Oregon consumer "LE":

A. On July 5, 2012, Licensee submitted a life insurance application to Transamerica for LE. Licensee signed the Agent's Report as part of LE's Transamerica application. Transamerica issued a policy to LE, effective August 4, 2012. The Transamerica Policy Data Sheet listed George L. Kengle as the writing agent.

B. On February 3, 2017, Licensee submitted a life insurance application to Americo for LE. As part of the application, Licensee signed and submitted a Producer's Statement that included the following questions and answers:

(1) The Producer's Statement asked "[h]ow long has the Agent known the Proposed Insured(s)?" Licensee answered "0."

(2) The Producer's Statement asked "[i]s there any existing life insurance or annuity coverage on the life of any Proposed Insured?" Licensee answered "No."

C. On February 6, 2017, LE signed a Full Surrender Request, requesting to surrender her Transamerica life insurance policy. On February 8, 2017, Licensee

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submitted LE's Full Surrender Request to Transamerica.

7. Life insurance applications involving Oregon consumer "AE":

A. On February 12, 2014, Licensee submitted a life insurance application to Transamerica for AE. Licensee signed the Agreement/Authorization form as part of AE's Transamerica application. Transamerica issued a policy to AE, effective March 1, 2014. The Transamerica Policy Data Sheet listed George L. Kengle as the writing agent.

B. On November 12, 2017, Licensee submitted a life insurance application to Americo for AE. As part of the application, Licensee signed and submitted a Producer's Statement that included the following questions and answers:

(1) The Producer's Statement asked "[h]ow long has the Agent known the Proposed Insured(s)?" Licensee answered "0."

(2) The Producer's Statement asked "[i]s there any existing life insurance or annuity coverage on the life of any Proposed Insured?" Licensee answered "No."

C. On November 16, 2017, AE signed a Full Surrender Request, requesting to surrender her Transamerica life insurance policy and submitted the document to Transamerica.

8. Life insurance applications involving Oregon consumer "SG":

A. On April 27, 2013, Licensee submitted a life insurance application to Transamerica for SG. Licensee signed the Agent's Report as part of SG's Transamerica application. Transamerica issued a policy to SG, effective May 20, 2013. The Transamerica Policy Data Sheet listed George L. Kengle as the writing agent.

B. On September 26, 2017, Licensee submitted a life insurance application to Americo for SG. As part of the application, Licensee signed and submitted a Producer's Statement that included the following questions and answers:

(1) The Producer's Statement asked "[h]ow long has the Agent known the

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Proposed Insured(s)?" Licensee answered "0."

(2) The Producer's Statement asked "[i]s there any existing life insurance or annuity coverage on the life of any Proposed Insured?" Licensee answered "No."

C. On September 26, 2017, SG signed a Full Surrender Request, requesting to surrender her Transamerica life insurance policy. On September 26, 2017, Licensee submitted SG's Full Surrender Request to Transamerica.

9. Life insurance applications involving Oregon consumer "LK":

A. On July 1, 2003, Licensee submitted a life insurance application to Transamerica for LK. Licensee signed the Agent's Report as part of LK's Transamerica application. Transamerica issued a policy to LK, effective July 7, 2003. The Transamerica Policy Data Sheet listed George L. Kengle as the writing agent.

B. On August 22, 2017, Licensee submitted a life insurance application to Americo for LK. As part of the application, Licensee signed and submitted a Producer's Statement that included the following questions and answers:

(1) The Producer's Statement asked "[h]ow long has the Agent known the Proposed Insured(s)?" Licensee answered "0."

(2) The Producer's Statement asked "[i]s there any existing life insurance or annuity coverage on the life of any Proposed Insured?" Licensee answered "No."

C. On September 1, 2017, LK signed a Full Surrender Request, requesting to surrender her Transamerica life insurance policy. On September 30, 2017, Licensee submitted LK's Full Surrender Request to Transamerica.

10. Life insurance applications involving Oregon consumer "RK":

A. On July 1, 2003, Licensee submitted a life insurance application to Transamerica for RK. Licensee signed the Agent's Report as part of RK's Transamerica

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application. Transamerica issued a policy to RK, effective July 7, 2003. The Transamerica Policy Data Sheet listed George L. Kengle as the writing agent.

B. On August 23, 2017, Licensee submitted a life insurance application to Americo for RK. As part of the application, Licensee signed and submitted a Producer's Statement that included the following questions and answers:

(1) The Producer's Statement asked "[h]ow long has the Agent known the Proposed Insured(s)?" Licensee answered "0."

(2) The Producer's Statement asked "[i]s there any existing life insurance or annuity coverage on the life of any Proposed Insured?" Licensee answered "No."

C. On September 1, 2017, RK signed a Full Surrender Request, requesting to surrender his Transamerica life insurance policy. On September 5, 2017, Licensee submitted RK's Full Surrender Request to Transamerica.

11. Life insurance applications involving Oregon consumer "EK":

A. On December 3, 2009, Licensee submitted a life insurance application to Transamerica for EK. Licensee signed the Agent's Report as part of EK's Transamerica application. Transamerica issued a policy to EK, effective January 4, 2010. The Transamerica Policy Data Sheet listed George L. Kengle as the writing agent.

B. On August 14, 2017, Licensee submitted a life insurance application to Americo for EK. As part of the application, Licensee signed and submitted a Producer's Statement that included the following questions and answers:

(1) The Producer's Statement asked "[h]ow long has the Agent known the Proposed Insured(s)?" Licensee answered "0."

(2) The Producer's Statement asked "[i]s there any existing life insurance or annuity coverage on the life of any Proposed Insured?" Licensee answered "No."

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C. On September 11, 2017, EK signed a Full Surrender Request, requesting to surrender his Transamerica life insurance policy. On September 11, 2017, Licensee submitted EK's Full Surrender Request to Transamerica.

12. Life insurance applications involving Oregon consumer "GK":

A. On December 3, 2009, Licensee submitted a life insurance application to Transamerica for GK. Licensee signed the Agent's Report as part of GK's Transamerica application. Transamerica issued a policy to GK, effective January 4, 2010. The Transamerica Policy Data Sheet listed George L. Kengle as the writing agent.

B. On August 14, 2017, Licensee submitted a life insurance application to Americo for GK. As part of the application, Licensee signed and submitted a Producer's Statement that included the following questions and answers:

(1) The Producer's Statement asked "[h]ow long has the Agent known the Proposed Insured(s)?" Licensee answered "0."

(2) The Producer's Statement asked "[i]s there any existing life insurance or annuity coverage on the life of any Proposed Insured?" Licensee answered "No."

C. On September 11, 2017, GK signed a Full Surrender Request, requesting to surrender her Transamerica life insurance policy. On September 11, 2017, Licensee submitted GK's Full Surrender Request to Transamerica.

13. Life insurance applications involving Oregon consumer "DM":

A. On May 15, 2005, Licensee submitted a life insurance application to Transamerica for DM. Licensee signed the Agent's Report as part of DM's Transamerica application. Transamerica issued a policy to DM, effective May 24, 2005. The Transamerica Policy Data Sheet listed George L. Kengle as the writing agent.

B. On August 17, 2017, Licensee submitted a life insurance application to Americo for DM. As part of the application, Licensee signed and submitted a

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Producer's Statement that included the following questions and answers:

(1) The Producer's Statement asked "[h]ow long has the Agent known the Proposed Insured(s)?" Licensee answered "0."

(2) The Producer's Statement asked "[i]s there any existing life insurance or annuity coverage on the life of any Proposed Insured?" Licensee answered "No."

C. On August 16, 2017, DM signed a Full Surrender Request, requesting to surrender her Transamerica life insurance policy. On August 18, 2017, Licensee submitted DM's Full Surrender Request to Transamerica.

14. Life insurance applications involving Oregon consumer "SM":

A. On May 15, 2005, Licensee submitted a life insurance application to Transamerica for SM. Licensee signed the Agent's Report as part of SM's Transamerica application. Transamerica issued a policy to SM, effective May 24, 2005. The Transamerica Policy Data Sheet listed George L. Kengle as the writing agent.

B. On August 17, 2017, Licensee submitted a life insurance application to Americo for SM. As part of the application, Licensee signed and submitted a Producer's Statement that included the following questions and answers:

(1) The Producer's Statement asked "[h]ow long has the Agent known the Proposed Insured(s)?" Licensee answered "0."

(2) The Producer's Statement asked "[i]s there any existing life insurance or annuity coverage on the life of any Proposed Insured?" Licensee answered "No."

C. On August 16, 2017, SM signed a Full Surrender Request, requesting to surrender his Transamerica life insurance policy. On August 18, 2017, Licensee submitted SM's Full Surrender Request to Transamerica.

15. Life insurance applications involving Oregon consumer "PR":

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A. On March 23, 2014, Licensee submitted a life insurance application to Transamerica for PR. Licensee signed the Agreement/Authorization form as part of PR's Transamerica application. Transamerica issued a policy to PR, effective March 27, 2014. The Transamerica Policy Data Sheet listed George L. Kengle as the writing agent.

B. On November 13, 2017, Licensee submitted a life insurance application to Americo for PR. As part of the application, Licensee signed and submitted a Producer's Statement that included the following questions and answers:

(1) The Producer's Statement asked "[h]ow long has the Agent known the Proposed Insured(s)?" Licensee answered "0."

(2) The Producer's Statement asked "[i]s there any existing life insurance or annuity coverage on the life of any Proposed Insured?" Licensee answered "No."

C. On November 16, 2017, PR signed a Full Surrender Request, requesting to surrender her Transamerica life insurance policy and submitted the document to Transamerica.

16. Life insurance applications involving Oregon consumer "RS":

A. On July 21, 2012, Licensee submitted a life insurance application to Transamerica for RS. Licensee signed the Agent's Report as part of RS's Transamerica application. Transamerica issued a policy to RS, effective August 10, 2012. The Transamerica Policy Data Sheet listed George L. Kengle as the writing agent.

B. On November 5, 2017, Licensee submitted a life insurance application to Americo for RS. As part of the application, Licensee signed and submitted a Producer's Statement that included the following questions and answers:

(1) The Producer's Statement asked "[h]ow long has the Agent known the Proposed Insured(s)?" Licensee answered "0."

(2) The Producer's Statement asked "[i]s there any existing life insurance

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or annuity coverage on the life of any Proposed Insured?" Licensee answered "No."

C. On November 7, 2017, RS signed a Full Surrender Request, requesting to surrender his Transamerica life insurance policy. On November 7, 2017, Licensee submitted RS's Full Surrender Request to Transamerica.

17. Life insurance applications involving Oregon consumer "DS":

A. On November 27, 2012, Licensee submitted a life insurance application to Transamerica for DS. Licensee signed the Agent's Report as part of DS's Transamerica application. Transamerica issued a policy to DS, effective December 3, 2012. The Transamerica Policy Data Sheet listed George L. Kengle as the writing agent.

B. On May 22, 2017, Licensee submitted a life insurance application to Americo for DS. As part of the application, Licensee signed and submitted a Producer's Statement that included the following questions and answers:

(1) The Producer's Statement asked "[h]ow long has the Agent known the Proposed Insured(s)?" Licensee answered "0."

(2) The Producer's Statement asked "[i]s there any existing life insurance or annuity coverage on the life of any Proposed Insured?" Licensee answered "No."

C. On May 30, 2017, DS signed a Full Surrender Request, requesting to surrender her Transamerica life insurance policy. On May 30, 2017, Licensee submitted DS's Full Surrender Request to Transamerica.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

18. 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

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violation or threatened violation.

19. Pursuant to ORS 746.100, no person shall make a false or fraudulent statement or representation on or relative to an application for insurance, or for the purpose of obtaining a fee, commission, money or benefit from an insurer or insurance producer.

20. Licensee violated ORS 746.100 on 16 separate occasions by making false or fraudulent statements on the Producer's Statements[1] included with the applications for insurance as described in Paragraph 2 through Paragraph 17.

21. Pursuant to ORS 744.074(1)(b), the Director may revoke an insurance producer license for violating any insurance laws.

22. Pursuant to ORS 744.074(1)(h), the Director may revoke an insurance producer license for using fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere.

23. Licensee used fraudulent, coercive or dishonest practices or demonstrated incompetence, untrustworthiness or financial irresponsibility on 16 separate occasions by making false or fraudulent statements on the Producer's Statements included with the applications for insurance as described in Paragraph 2 through Paragraph 17.

24. Pursuant to ORS 731.988(1), an individual insurance producer that violates any provision of the Insurance Code shall forfeit and pay a civil penalty in an amount that does not exceed $1,000 for each offense.

ORDERS

Now, therefore, the Director issues the following Orders:

25. As authorized by ORS 731.252(1), the Director ORDERS Licensee to CEASE

[1] Notwithstanding previously selling Transamerica policies to each of the prospective Americo insureds, Licensee indicated on each Americo Producer's Statement that (1) he has not previously known the proposed insured, and (2) there were no existing life insurance coverage.

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AND DESIST from violating any provision of the Insurance Code or the administrative rules promulgated thereunder.

26. Pursuant to ORS 744.074(1)(b) and ORS 744.074(1)(h), the Director hereby REVOKES the resident insurance producer license of Licensee.

27. Based upon the foregoing and as authorized by ORS 731.988(1), the Director ORDERS that Licensee pay a CIVIL PENALTY of $500 per occurrence for 16 violations of ORS 746.100 for a total CIVIL PENALTY of $8,000.

28. The Director SUSPENDS the collection of the $8,000 CIVIL PENALTY for a period of four years, so long as Licensee agrees to not apply for any license authorized by ORS Chapter 744; 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. Licensee may however own an interest in a publically traded insurance company not to exceed 1%.

29. The suspended CIVIL PENALTY will be waived four years from the date this Order is finalized, provided Licensee has complied with the foregoing Order terms. The Director reserves the right to immediately assess and collect the suspended CIVIL PENALTY upon a determination that Licensee has violated any term of this Order.

SO ORDERED this 18th day of March, 2019.

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

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

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CONSENT TO ENTRY OF ORDER

I, George L. Kengle, state that I have read the foregoing 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 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 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 Order is a public document.

/s/ George Kengle

Signature

State of Oregon

County of Lane

Signed or attested before me on this 6th day of March, 2019 by George L. Kengle.

/s/ Robert Long

Notary Public

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