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

In the Matter of KATHERINE M. REBMAN, Respondent.	Case No. INS-19-0131 ORDER ASSESSING CIVIL PENALTIES, VOLUNTARY SURRENDER OF LICENSE, AND CONSENT TO ENTRY OF ORDER

The Division of Financial Regulation (the "Division"), acting on behalf of the Director of the Department of Consumer and Business Services for the State of Oregon (the "Director"), conducted an investigation of Katherine M. Rebman ("Respondent"). The Division determined that Respondent violated provisions of Oregon Revised Statutes ("ORS") chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 744, 746, 748 and 750 ("Insurance Code") and the Oregon Administrative Rules ("OAR") promulgated under those laws.

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

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

Division of Financial Regulation
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350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

FINDINGS OF FACT

The Director FINDS that:

1. Respondent has held an Oregon resident individual insurance producer license since May 20, 2015. Respondent's National Association of Insurance Commissioners national producer number is 1742681.

2. Starting in or about January 2017, Respondent was employed by First Tech Insurance Services ("First Tech").

3. On August 26, 2019, Respondent received a telephone call from a police officer

from Hillsboro, Oregon regarding a First Tech insured, identified herein as AQ. The police officer spoke to Respondent and indicated he was calling from the scene of an accident. The police officer asked whether AQ had a valid automobile insurance policy. Respondent stated that AQ's insurance policy had lapsed but it was eligible for reinstatement. The police officer then placed AQ on the phone with Respondent. Respondent then processed payment for AQ over the phone, reinstated the insurance policy, and informed AQ and then the police officer that AQ was covered under the insurance policy for the accident that just occurred.

4. In the course of reinstating AQ's insurance policy, Respondent answered certain questions on an application. Among those questions were the following: "Have you or a household member been involved in a motor vehicle accident?" Respondent answered "no" to that question. In addition, Respondent also acknowledged on the application on behalf of AQ that AQ would not be covered for anyone in her household who had been involved in any accidents or vehicle damage since the date her policy was canceled.

5. Respondent made the foregoing representations despite being informed by both the police officer and AQ that there had just been a motor vehicle accident.

6. By making the foregoing representations and processing AQ's payment over the phone, Respondent reinstated AQ's insurance policy.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

7. Under 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.

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8. Respondent used dishonest practices and demonstrated incompetence or untrustworthiness when she reinstated AQ's automobile insurance policy by: knowingly making false representations, including the representation that AQ had not been involved in a motor vehicle accident despite receiving a call from a police officer from the scene of an accident; and acknowledging on the reinstatement application that AQ would not be covered in any accidents or damage since the date her policy was canceled and then asserting to the police officer and AQ that there would be coverage for the accident that occurred while her policy was canceled.

9. Because Respondent engaged in the foregoing dishonest practices and demonstrated incompetence or untrustworthiness, the Director may place Respondent on probation or suspend her license and may take other actions authorized by the Insurance Code under ORS 744.074(1)(h).

10. Under ORS 744.992(1), a person who violates any provision of ORS 744.318 to 744.384, 744.991 and 744.992 is subject to civil penalties under ORS 731.988 and cease and desist orders under ORS 731.252.

11. Under ORS 731.988(1), a person that violates any provision of the Insurance Code, any lawful rule or final order of the Director, or any judgment that a court makes in response to the Director's application, shall forfeit and pay to the General Fund of the State Treasury a civil penalty in an amount determined by the Director that does not exceed $10,000 for each offense. The civil penalty for individual insurance producers, adjusters or insurance consultants may not exceed $1,000 for each offense. Each violation is a separate offense.

12. Because Respondent violated ORS 744.074(1)(h), she is subject to civil penalties under ORS 744.992(1) and ORS 731.988(1).

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ORDERS

The Director issues the following ORDERS:

13. Pursuant to ORS 744.992(1) and ORS 731.988(1), the Director hereby assesses CIVIL PENALTIES against Respondent in the amount of one thousand dollars ($1,000) for violating ORS 744.074(1)(h).

14. The Director SUSPENDS the collection of five hundred dollars ($500) of the foregoing civil penalties and agrees to waive such amount at the end of a period of three (3) years from the effective date of this Order, provided:

A. Respondent voluntarily surrenders her individual insurance producer license as of the effective date of this order;

B. Respondent agrees to refrain from applying for any license authorized by ORS chapter 744, or have any equity interest in or be an officer or director of any person or entity that is issued any license authorized by ORS Chapter 744. Respondent may own an interest in a publically traded insurance company not to exceed 1%.

C. Respondent complies with the Insurance Code and the terms and conditions of this Order.

15. If, during the foregoing three (3) year period, Respondent applies for a license authorized by ORS chapter 744, fails to comply with the Insurance Code, or otherwise fails to comply with the terms of this Order, the suspended portion of the civil penalty shall become immediately due and payable.

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FINAL ORDER

16. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, entry of this Order in no way limits or prevents further remedies, sanctions, or actions which may be available to the Director under Oregon law to enforce this Order, for violations of this Order, for conduct or actions of Respondent that are not covered by this Order, or against any party not covered by this Order.

IT IS SO ORDERED.

Dated this 30th day of December, 2019.

LOUIS SAVAGE, Acting 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, Katherine M. Rebman, have read the foregoing Order and I know and fully understand the contents hereof. The factual allegations stated herein are true and correct. I have been advised of the right to a hearing and of the right to be represented by counsel in this matter. 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. I understand that the Director reserves the right to take further action against me to enforce this Order or to take appropriate action upon discovery that I have committed other violations of Oregon law. I will fully comply with the terms and conditions stated herein.

I understand that this Order is a public document.

Signature: /s/ Katherine M. Rebman

State of Arizona

County of Maricopa

Signed or attested before me on this 18th day of December, 2019 by Heather Van Kleeck.

/s/ Heather F. Van Kleeck

Notary Public

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