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

In the Matter of:	Case No. INS-20-0086
DOUGLAS J REYNAERT, Respondent.	ORDER TO CEASE AND DESIST, FINAL ORDER ASSESSING 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, 743B, 744, 746, 748 and 750 ("Insurance Code"), has conducted an investigation into the insurance related activities of Douglas J. Reynaert ("Respondent") regarding violations of the Insurance Code.

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 evidenced by the signatures subscribed in this Order, Respondent hereby consents to entry of this Order upon the Director's Findings of Facts and Conclusions of Law.

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 a Florida resident that has never been licensed as an Oregon individual insurance producer. Respondent's National Association of Insurance Commissioners national producer number is 18110385, and he is licensed as a resident insurance producer in Florida.

2. On September 24, 2018, Respondent sold to Oregon consumer "J.G." a short term medical expense policy ("STM Policy") and a hospital indemnity plan.

3. While completing the application for the STM Policy, Respondent mischaracterized to J.G. that the STM Policy was major medical insurance.

4. On the application for the STM Policy, Respondent listed Oregon licensed nonresident insurance producer "M.C." as the selling agent, when Respondent was in fact the selling agent.

5. On October 9, 2020, J.G. submitted a consumer complaint against Respondent to the Oregon Division of Financial Regulation ("Division") alleging misrepresentation as the reason for the complaint.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

6. 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.

7. Pursuant to ORS 744.053, a person may not sell, solicit or negotiate insurance in this state for any class or classes of insurance unless the person is licensed as an insurance producer for that class or those classes in accordance with ORS 744.052 to 744.089.

8. Respondent sold insurance in Oregon without being a licensed insurance producer as described in Paragraph two above, in violation of ORS 744.053.

9. Pursuant to ORS 746.075(2)(a), a person may not engage, directly or indirectly in connection with the offer or sale of any insurance, in making or causing to be made any statement misrepresenting the terms of any policy issued or to be issued.

10. Respondent misrepresented the terms of the STM Policy by characterizing the

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STM Policy as major medical insurance as described in Paragraph three above, in violation of ORS 746.075(2)(a).

11. 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.

12. Respondent made a false or fraudulent statement by listing Oregon nonresident insurance producer M.C. on the application for the STM Policy when Respondent was in fact the selling agent, as described in Paragraph four above, in violation of ORS 746.100.

13. Pursuant to ORS 731.988(1) the Director may impose a civil penalty of up to $1,000 per violation upon any individual that violates any provision of the Insurance Code or any lawful rule or final order of the Director.

ORDERS

Now therefore, the Director issues the following ORDERS:

14. As authorized by ORS 731.252(1), the Director ORDERS Respondent to CEASE AND DESIST from violating ORS 744.053, ORS 746.075(2)(a), and ORS 746.100.

15. The Director, as authorized by ORS 731.988(1), ORDERS that Respondent pay a CIVIL PENALTY of $3,000 for violating ORS 744.053, ORS 746.075(2)(a), and ORS 746.100.

16. The Director hereby suspends payment of $1,000 of the CIVIL PENALTY for a period of two years. If, during the two year period following the effective date of this Order, Respondent complies with the terms of this Order and the Director has not initiated an enforcement action for new violations of the same provisions of the Insurance Code identified in this Order, the Director WAIVES the collection of the suspended CIVIL PENALTY assessed herein. The Director reserves the right to immediately assess and collect the suspended civil penalty upon a determination that Respondent has violated any

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term of this Order.

17. The non-suspended CIVIL PENALTY ($2,000) is due and payable as follows:

A. Five hundred dollars ($500) is due and payable at the time this Order is returned to the Division.

B. Five hundred dollars ($500) is due and payable on or before April 1, 2021.

C. Five hundred dollars ($500) is due and payable on or before May 1, 2021.

D. Five hundred dollars ($500) is due and payable on or before June 1, 2021.

18. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, the entry of this Order does not limit other remedies that are available to the Director under Oregon law.

SO ORDERED this 9th day of March, 2021.

ANDREW R. STOLFI, 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, Douglas J. Reynaert, 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/ Douglas Reynaert

Signature

State of FL

County of Hillsborough

Signed or attested before me on this 02 day of March, 2021 by Douglas J. Reynaert.

/s/ Nadine R. Coulson

Notary Public

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