

**STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION**

In the Matter of **Michael C. Eaton.**

) **FINAL ORDER**

) Case No. INS 02-10-016

The Director of the Oregon Department of Consumer and Business Services (director) commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take enforcement action against Michael C. Eaton (Eaton).

History of the Proceeding

On 1/15/03, the director issued a notice of proposed action, pursuant to ORS 183.415 and Oregon Administrative Rules (OAR) 137-003-0505. The notice informed Eaton that the director proposed to take certain enforcement action against Eaton, that Eaton was entitled to a hearing, and that if Eaton wanted a hearing then Eaton had to request a hearing in writing within 21 days.

On 1/28/03, the director received from or on behalf of Eaton a written request for a hearing. The director received the request within the time period specified in the notice pursuant to OAR 137-003-0505(1)(f).

On 7/17/03, the director issued an amended notice of proposed action. The notice informed Eaton that the director proposed to take the same enforcement action but alleged additional reasons for taking the action.¹

On 7/17/03, the director referred Eaton's request for a hearing to the Office of Administrative Hearings (OAH).²

On 8/28/03, OAH issued a notice scheduling a hearing to be held on 10/15/03.

¹ The proposed order incorrectly referred to the amended notice of proposed action as the notice of proposed action.

² The proposed order incorrectly indicated that the director referred Eaton's request for a hearing to OAH on 1/17/03.

On 10/16/03, OAH issued a notice rescheduling the hearing to be held on 11/20/03.

On 10/31/03, the Insurance Division requested OAH to order Eaton to provide certain discovery.

On 11/6/03, the director delegated to OAH authority to order and control all discovery in this proceeding.

On 11/13/03, OAH issued an order to Eaton requiring him to provide the requested discovery.

On 11/20/03, OAH held a hearing. The hearing was conducted by Ella D. Johnson, an administrative law judge of OAH. The director, by and through the Insurance Division, participated in the hearing and was represented by Kathleen Dahlin, an Assistant Attorney General. The Insurance Division called Ruth C. Johnson, an investigator with the Insurance Division, and Eaton, as its only witnesses. The Insurance Division offered Exhibits A1 to A46 as its documentary evidence. All of the Insurance Division's exhibits were admitted into the record. Eaton participated in the hearing and represented himself. Eaton called himself as his only witness. Eaton did not offer any documentary evidence.

On 12/17/03, OAH issued a proposed order pursuant to ORS 183.460 and OAR 137-003-0645. The proposed order found that Eaton committed all of the violations that were alleged in the notice and recommended that the director take the action initially proposed in the notice. The proposed order informed Eaton that he could file with the director written exceptions to the proposed order within 30 days after the proposed order was sent to Eaton, pursuant to OAR 137-003-0650. On the same date, OAH mailed a copy of the proposed order to Eaton.

The director did not receive from Eaton any exceptions to the proposed order.

Therefore, the director now makes the following final decision in this proceeding pursuant to ORS 731.248 and 183.470, and OAR 137-003-0655 and 137-003-0665.

Findings of Fact, Conclusions of Law and Opinion

The director adopts, and incorporates herein by this reference, the findings of fact, conclusions of law, and opinion of proposed order as the facts, conclusions, and reasoning of this final order

Order

Pursuant to ORS 744.013(1)(a)(1999) and 744.011, Eaton's Oregon resident insurance agent license is revoked on the date of this order.

Notice of Right to Judicial Review

The party has the right to appeal this order to the Oregon Court of Appeals pursuant to ORS 183.480 and 183.482. A party may appeal the order by filing a written petition for judicial review with the Court of Appeals in accordance with the current Oregon Rules of Appellate Procedure. The Court of Appeals must receive the petition within 60 days from the date the order was served on the party. If the order was personally delivered to a party, then the date of service is the day the party received the order. If the order was mailed to a party, then the date of service is the day the order was mailed to the party, not the day the party received the order. If a party does not file a petition within the 60-day time period, then the party will lose the right to appeal the order. If a party appeals the order, the party should also send a copy of the petition to the Insurance Division by delivering it to the Labor and Industries Building, 350 Winter Street NE, Room 440 (4th Floor), Salem, Oregon; or mailing it to PO Box 14480, Salem, OR 97309-0405, or faxing it to 503-378-4351; or e-mailing it to mitchel.d.curzon@state.or.us.

Dated March 26, 2004

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

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