

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

In the Matter of **Matthew R. Herz** ) **STIPULATION** and  
 ) **FINAL ORDER**  
 ) Case No. INS 04-07-011

**STIPULATION**

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 Matthew R. Herz (Herz).

Herz enters into this stipulation, pursuant to ORS 183.415(5), to conclude this proceeding without further administrative or judicial proceedings.

Herz acknowledges that he received a notice of proposed action, but waives any objections relative to such notice. Herz acknowledges that he requested a hearing, but waives the right to have the hearing, and be represented by an attorney at the hearing. Herz also waives the right to receive a notice of rights and procedures in contested cases, receive a proposed order, file exceptions to the proposed order, and have the final order judicially reviewed.

Herz stipulates to the following facts, conclusions, and action, and consents to issuance of a final order incorporating this stipulation.

**Facts and Conclusions**

Licensing Information

Herz has been licensed in Oregon as a nonresident insurance agent since 1/6/04.

Made False Statement on Insurance License Application

Herz violated ORS 744.074(1)(a) in one instance by engaging in the following conduct. ORS 744.074(1)(a) permits the director to take any authorized action against a person if the person provided to the director incorrect, misleading, incomplete or materially untrue information on an Oregon insurance agent license application. On or about 1/2/04, the Insurance Division received from Herz an

Oregon nonresident insurance agent license application dated 1/2/04. On the application, Herz answered “No” to question 2 which asked “Have you or any business in which you are or were an owner, partner, officer or director ever been involved in an administrative proceeding regarding any professional or occupational license?” Herz’ answer was false because on 6/17/03, the insurance regulator for the State of Connecticut issued an order, number MC-03-39, assessing Herz a civil penalty of \$1,000.

Failed to Report Enforcement Action by Other State Insurance Regulator

Herz violated ORS 744.089(1) in one instance by engaging in the following conduct. ORS 744.089(1) requires a person licensed in Oregon as an insurance agent to notify the Insurance Division of any enforcement action taken against the person by another state insurance regulator, and provide a copy of the order, within 30 days of the final disposition of the action. On 3/25/04, the insurance regulator for the State of Massachusetts issued an order assessing Herz a fine of \$1,000.00. The action was finally disposed of on 3/30/04. Thus, Herz was required to notify the Insurance Division of the action, and provide a copy of the order, by 4/29/04. Herz has not notified the Insurance Division of the action or provided a copy of the order.

**Action**

As consideration for the director not taking any enforcement action in this proceeding, Herz surrenders his Oregon nonresident insurance agent license effective on the date of this stipulation, and shall never apply for any license authorized by ORS Chapter 744.

Dated September 30, 2004

/s/ Matthew R. Herz  
Matthew R. Herz

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**FINAL ORDER**

The director incorporates herein and adopts the above stipulation as the director's final decision in this proceeding, and orders that the action stated therein be taken.

Dated October 12, 2004

/s/ Joel Ario  
Joel Ario  
Administrator  
Insurance Division  
Department of Consumer and Business Services

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