



indemnity insurance, called hole-in-one insurance, for golf tournaments and related events. On 5/12/04, Golf Marketing sent an e-mail to Mike G. Patterson (Patterson) of Rhodes-Warden Insurance, Inc. (RWI) of Lebanon, Oregon offering to provide to one of Patterson's clients, Promax, Inc. (Promax) of Tualatin, Oregon, hole-in-one insurance for a golf tournament called the Quarterback Shootout Pro-AM to be held at the Royal Oaks Country Club in Vancouver, Washington on 6/4/04. The premium for the insurance was \$1,333.00. On 5/24/04, Golf Marketing sent by e-mail to Patterson a "Hole-In-One Contract" number ORK-060404-0288, the terms and conditions of the insurance, and other related documents, to be completed, and with payment of the premium, returned to "Golf Marketing Incorporated, 1 Timberline, Norwalk, CT 06854." The "Hole-In-One Contract" stated, *inter alia*, that "Golf Marketing, LLC hereby agrees to reimburse the client named on this contract up to a maximum specified prize value if a Hole-in-One or Hole In One Putt (as defined by the USGA rules of Golf), occurs on the date(s) and target hole(s) as specified." The date was 6/4/04 and the target hole was number 8. The prize was \$50,000 in cash. On 5/24/04, Promax signed the contract and faxed it to RWI. On 5/25/04, Promax issued a check, number 12433, in the amount of \$1,333.00 made payable to RWI, and mailed the check to RWI. On 5/27/04, RWI received the check from Promax. On the same date, RWI issued a check, number 2054, in the amount of \$1,199.00 made payable to "Golf Marketing." The amount of RWI's check was less than the amount of Promax's check because RWI retained \$134.00 as commission, and remitted to Golf Marketing the net premium of \$1,199.00. On the same date or shortly thereafter, RWI sent the contract and RWI's check to Golf Marketing. On 6/4/04, during the tournament, a participant purportedly made a hole-in-one at the designated hole. Promax was obligated to pay the prize. Promax notified Golf Marketing of the hole-in-one by telephone on 6/4/04 and by fax on or about 6/7/04. On 12/27/04, Promax mailed to Golf Marketing the necessary claim forms and information. Golf Marketing failed to respond to the claim. Subsequently, Promax demanded payment of the prize from RWI, and RWI and RWI's errors & omissions insurer paid Promax an agreed amount.

## Order

Pursuant to ORS 731.252, Golf Marketing shall immediately cease and desist from violating ORS 731.354.

### **Notice of Right to Administrative Hearing and Judicial Review**

A party has the right to a hearing pursuant to ORS 731.252. A party may request a hearing by sending a written request to the Insurance Division. A party may send the request to the Insurance Division by delivering it to the Labor and Industries Building, 350 Winter Street NE, Room 440 (4<sup>th</sup> 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](mailto:mitchel.d.curzon@state.or.us). The Insurance Division must *receive* the request within *20 days* from the date this notice was *sent* to the party.

If the Insurance Division receives from a party a written request for a hearing by the above due date, then the Insurance Division will refer the request to the Office of Administrative Hearings (OAH). OAH will schedule the hearing and notify the party of the date and location of the hearing and other related information. OAH will conduct the hearing in accordance with the Oregon Administrative Procedures Act, ORS Chapter 183; and related rules, Oregon Administrative Rules (OAR) 137-05-0501 *et seq.* A party that is a corporation, partnership, limited liability company, unincorporated association, trust, or government agency must be represented at a hearing by an attorney licensed in Oregon except as otherwise provided by law. Subsequently, OAH will issue a proposed order, and the director will issue a final order. However, this order will remain in effect until the director or a court of competent jurisdiction orders otherwise.

If the Insurance Division receives from a party a written request for a hearing by the above due date but the party subsequently withdraws the request, notifies the Insurance Division or OAH that the party will not appear at a scheduled hearing, or does not appear at a scheduled hearing, then the director intends to issue a final order by default continuing the action ordered herein.

If the Insurance Division does not receive from a party a written request for a hearing by the above due date, then this order will become final automatically and no further order will be issued.

If a hearing is not held, then the designated portion of the Insurance Division's file in this case will automatically become part of the contested case record for the purpose of proving a *prima facie* case. If a hearing is held, the designated portion of the Insurance Division's file in this case will not become part of the record, unless expressly offered by the Insurance Division as documentary evidence and admitted as such.

A party has the right to appeal this order, if it becomes final automatically, to the Oregon Court of Appeals pursuant to ORS 183.480 and ORS 183.482. A party may institute a proceeding for judicial review by filing with the court a petition for judicial review within 60 days from the date the order being appealed 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 files a petition, the party is requested to also send a copy of the petition to the Insurance Division.

Dated June 12, 2006

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

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