

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

In the Matter of **Richard D. Pissillo**

) **FINAL ORDER**
) Case No. INS 07-03-009

History of the Proceeding

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 Richard D. Pissillo (Pissillo).

On 4/13/07, the director issued a notice of proposed action notifying the party that the director proposed to take enforcement action against the party and the party was entitled to a hearing pursuant to ORS 183.415. The notice of proposed action included a statement that if a hearing was not held then the designated portion of the Insurance Division's file in this case would automatically become part of the contested case record for the purpose of proving a *prima facie* case.

The director did not receive a request for a hearing. The director did not hold a hearing because the director found that the designated portion of the Insurance Division's file in this case proved a *prima facie* case and no further testimony or evidence was necessary.

The director now makes the following final decision in this proceeding.

Findings of Fact and Conclusions of Law

Licensing Information

Pissillo has been licensed in Oregon as a resident individual insurance producer since 6/1/93. Pissillo's last recorded residence and business address is located in Coos Bay, Oregon.

Withheld Money or Property

Pissillo is subject to enforcement action pursuant to ORS 744.074(1)(d) because of the following circumstances. ORS 744.074(1)(d) permits the director to take any authorized enforcement action against a person who has applied for a license or is

licensed in Oregon as an insurance producer if the person improperly withheld, misappropriated, or converted, any moneys or properties received by the person in the course of doing insurance business. In November 2001, Pissillo sold to a particular person who resided in Oregon an insurance policy issued by Conseco Annuity Assurance Company (Conseco). Conseco paid a commission to Pissillo. In December 2002, Conseco filed bankruptcy. The insured person surrendered the policy because he was concerned about Conseco filing bankruptcy. Pissillo was obligated to repay the commission. As of 3/9/06, Pissillo owed Conseco a total of \$1,701.68. On 3/9/04, 3/24/04 and 4/8/04, Conseco sent demand letters to Pissillo requesting he repay the amount owed. Pissillo did not repay the amount owed. On 11/8/05, the Insurance Division received from Conseco a letter dated 11/1/05 saying that Conseco had terminated Pissillo as of 11/1/05 because Pissillo had not paid the amount owed. Between 2005 and 2007, Pissillo earned from Conseco \$267.33 that Conseco applied to reduce the amount Pissillo owed to Conseco. As of 1/23/07, Pissillo owed Conseco \$1,434.35. On 2/5/07, the Insurance Division received from Pissillo an undated letter explaining that he was aware that Conseco claimed that he owed Conseco money but he believed that he should not have to repay the money because “none of this would have occurred had Conseco not filed bankruptcy” and Conseco should be able to “declare bankruptcy and then go forward collecting debts resulting from that bankruptcy.”

Order

Pursuant to ORS 744.074(1), Pissillo’s Oregon resident individual insurance producer license is revoked on the date of this order.

Notice of Right to Judicial Review

A party has the right to judicial review of this final order pursuant to ORS 183.480 and 183.482. A party may request judicial review by sending a petition for judicial review to the Oregon Court of Appeals. The court must receive the petition within 60 days from the date this order was sent to the party. If a party files a petition, the party is requested to 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 May 15, 2007

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

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