

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

In the Matter of **Jack S. Kleck**

) **FINAL ORDER**

) Case No. INS 07-11-010

**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 Jack S. Kleck (Kleck).

On 12/19/07, 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

Kleck has been licensed in Oregon as a resident insurance producer since 3/29/90. Kleck's last recorded residence address is located in Union, Oregon; and business address is located in LaGrande, Oregon.

Enforcement Action by State Securities Regulator

Kleck is subject to enforcement action pursuant to ORS 744.074(1)(j) because of the following circumstances. ORS 744.074(1)(j) 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 a federal or state government agency

canceled, revoked, suspended, or refused to renew, the person's authority to practice law or to practice under any other regulatory authority if the action was related to the business of an insurance adjuster, consultant or producer; or the misconduct involved dishonesty, fraud, or deception. On 4/20/07, the director, by and through the Division of Finance and Corporate Securities, issued an order, number S-07-0001, among other things, revoking Kleck's Oregon broker-dealer salesperson license, CRD number 1069636. The director took the action because Kleck violated (1) ORS 59.205(2) and OAR 441-205-0140 by, from 9/8/03 to 1/20/06, making 15 investment recommendations to five elderly persons without having a reasonable belief that the investments were suitable for the persons; and (2) ORS 59.135(2) by, from 9/8/023 to 1/3/05, selling twelve high risk general partnerships to the elderly persons but not telling them that if they invested in the partnerships then they might be subject to unlimited personal liability.

### **Order**

Pursuant to ORS 744.074(1), Kleck's Oregon resident 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 order pursuant to ORS 183.480 and ORS 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 served on the party. If the order was personally delivered to a party, then the date of service is the date the party received the order. If the order was mailed to a party, then the date of service is the date the order was mailed to the party, not the date 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 January 17, 2008

/s/ Scott J. Kipper  
Scott J. Kipper  
Administrator  
Insurance Division  
Department of Consumer and Business Services