

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

In the Matter of **Danny J. Harlow**) **STIPULATION** and
) **FINAL ORDER**
) Case No. INS 10-06-008

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 Danny J. Harlow (Harlow).

Harlow desires to conclude this proceeding without a hearing by entering into this stipulation pursuant to ORS 183.417(3).

Harlow waives all rights relative to an administrative hearing and judicial review thereof.

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

Facts and Conclusions

Licensing Information

Harlow has been licensed in Oregon as a nonresident insurance producer from 1/17/92 to 1/31/95 and since 4/11/95. Harlow's license number is 122970, and NAIC national producer number is 91507. Harlow's last recorded residence address is located in Ridgefield, Washington; and business address is located in Vancouver, Washington.

Made Unsuitable Recommendation in Life Insurance Transaction

Harlow is subject to enforcement action pursuant to Oregon Administrative Rules (OAR) 836-080-0090 because of the following circumstances.

OAR 836-080-0090 prohibits a person from recommending that another person purchase or replace a life insurance policy or annuity, or any rider, endorsement or amendment to the policy or annuity, without having reasonable grounds to believe

that the transaction is not unsuitable for the other person based upon a reasonable inquiry concerning the other person's insurance objectives, financial situation and needs, age and other relevant information known by the person.

On or about 2/5/09, Harlow recommended to a person residing in Oregon that the person terminate nine annuities and deposit the proceeds into one annuity. Harlow did not have reasonable grounds to believe that recommended transaction was not unsuitable for the person because Harlow knew that person would pay at least approximately \$63,000 in surrender penalties as a result of terminating the annuities.

Action

Pursuant to ORS 731.988(1), Harlow is assessed a civil penalty of \$9,000.00. The payment shall be made in the form of a check payable to the "Department of Consumer and Business Services" for the full amount due. The payment shall be delivered or mailed to the Insurance Division at the Labor and Industries Building, 350 Winter Street NE Room 300, Salem, Oregon 97301-3880; or mailed to the Insurance Division at PO Box 14480, Salem, OR 97309-0405. The payment shall be *received* by the Insurance Division by the date of the final order.

Dated July 1, 2011

/s/ Danny J. Harlow
Danny J. Harlow

FINAL ORDER

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

Dated July 11, 2011

/s/ Teresa D. Miller
Teresa D. Miller
Administrator
Insurance Division
Department of Consumer and Business Services