

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

In the Matter of **Eddy K. Hauff**

) **FINAL ORDER**

) Case No. INS 11-04-002

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 Eddy K. Hauff (Hauff).

On 7/5/11, the director issued a notice of proposed action informing the party that the director proposed to take enforcement action against the party, the party was entitled to a hearing pursuant to ORS 183.415, and if the party wanted a hearing then the party had to send to the director a written request for a hearing so that the director received it by 9/6/11. The notice also informed the party that if a hearing was not conducted then the designated portion of the Insurance Division's file and all materials submitted by the party 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 from the party a request for a hearing and did not conduct a hearing.

The director finds that the record of this proceeding proves a *prima facie* case.

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

Findings of Fact and Conclusions of Law

Licensing Information

Hauff was licensed in Oregon as a resident individual insurance producer from 1/27/98 to 7/8/02. On 7/9/02, Hauff's license was revoked as described below. Hauff's license number was 612745. Hauff's NAIC national producer number is 2833431. On 4/6/11, Hauff applied for an Oregon nonresident individual insurance producer license. According to the application, Hauff's residence street address is 215 Sparks Drive, Kelso, WA 98626-1843; and telephone number is 360-601-5683.

Provided Incorrect Information on Insurance License Application

Hauff is subject to enforcement action pursuant to ORS 744.074(1)(a) because of the following circumstances.

ORS 744.074(1)(a) 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 provided to the director incorrect, misleading, incomplete or materially untrue information on an Oregon insurance producer license application.

On 4/6/11, the director received from Hauff an Oregon nonresident insurance producer license application. On the application, Hauff incorrectly answered questions 1A and 2.

Hauff answered “Yes” to question 1 which asked “Have you ever been convicted of a crime...?” Hauff’s answer to question 1 was correct because on 3/28/84 Hauff was convicted by the Circuit Court of the State of Oregon for the County of Clatsop, in the criminal case *State of Oregon v. Eddy Barbara Hauff*, case number CC83-1139, of, among other things, two counts of the crime of criminal conspiracy to hinder prosecution of a person who committed robbery, a class C felony, pursuant to ORS 161.450. However, Hauff answered “No” to question 1A which asked “If you have a felony conviction, have you applied for a waiver as required by 18 USC 1033?”¹ Hauff’s answer to question 1A was not correct because Hauff applied to the director for a waiver on 10/15/01 which the director denied on 2/26/02.

Also, Hauff answered “No” to question 2 which asked “Have you ever been named or involved as a party in an administrative proceeding regarding any professional or occupational license or registration?” Hauff’s answer to question 2 was not correct because on 7/9/02 the director issued an order, case number INS 02-04-005, revoking Hauff’s Oregon resident individual insurance producer license

¹ A waiver is also referred to as a written consent to engage or participate in the business of insurance. See ORS 731.428(1) and OAR 836-071-0323.

because Hauff was convicted of a felony, Hauff applied for a waiver, but the director denied Hauff's application for a waiver, all as described above.

Order

Pursuant to ORS 744.074(1), the director refuses to issue to Hauff an Oregon nonresident individual insurance producer license 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 by delivering it to the Labor and Industries Building, 350 Winter Street NE Room 300, Salem, Oregon 97301-3880; 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 September 9, 2011

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

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