

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

In the Matter of **James E. Butler**

) **FINAL ORDER**

) Case No. INS 12-09-006

History of the Proceeding

The Director of the Oregon Department of Consumer and Business Services (director), by and through the Insurance Division, commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take enforcement action against James E. Butler (Butler).

On 10/1/12, 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 10/22/12. 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

Butler has been licensed in Oregon as a resident individual insurance producer since 6/6/08. Butler's license is scheduled to expire on 10/31/12. Butler's license number is 734176, and NAIC national producer number is 10692960. Butler's last recorded residence address is 4573 Glacier Drive, Springfield, OR 97478-7501; and

telephone number is 541-513-3489. Butler's last recorded business address is American Income Life, 1144 Gateway Loop Suite 100, Springfield, OR 97477-7749; and telephone number is 541-988-0405.

However, as indicated below, the director has reason to believe that Butler is no longer residing or working at the above residence and business addresses.

Failed to Notify Director of Change of Business Address

Butler is subject to enforcement action pursuant to ORS 744.068(4)(a) because of the following circumstances. ORS 744.068(4)(a) requires a person licensed in Oregon as an insurance producer to notify the director of a change of address or telephone number of the principal place of business or any location at which the insurance producer transacts business not later than the 30th day after the date of the change. Sometime in February 2009, Butler moved his business from 1144 Gateway Loop Suite 100, Springfield, OR 97477-7749 to an unknown address. Butler has not notified the director of this change of business address.

Failed to Report Criminal Prosecution

Butler is subject to enforcement action pursuant to ORS 744.089(2) because of the following circumstances. ORS 744.089(2) requires a person who is licensed in Oregon as an insurance producer to notify the director of any criminal prosecution of the person; and provide a copy of the initial complaint, order resulting from the hearing and any other relevant legal documents, within 30 days of the pretrial hearing. On 8/19/11, in the Circuit Court for the State of Oregon for Washington County, in the criminal case *State of Oregon v. James Ebony Butler*, case number 201117973, Butler was charged with committing one count each of five different crimes all related to the delivery, manufacture, and possession of cocaine. On 9/15/11, Jones appeared before the court to respond to the charges. On 10/26/11, Butler pled guilty to the charge of committing one count of the crime of unlawful possession of cocaine, a felony, pursuant to ORS 475.884 and was convicted of the crime. Butler was required to notify the director of the criminal prosecution, and provide a copy of the specified documents, by 10/17/11. Butler has not notified the director of the action or provided a copy of the specified documents.

Convicted of Crime

Butler is subject to enforcement action pursuant to ORS 744.074(1)(f) because of the following circumstances. ORS 744.074(1)(f) 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 was convicted of a misdemeanor involving dishonesty or breach of trust, a felony, or an offense punishable by death or imprisonment under the laws of the United States. On 10/26/11, in the Circuit Court for the State of Oregon for Washington County, in the criminal case *State of Oregon v. James Ebony Butler*, case number 201117973, Butler was convicted, based on a plea of guilty, of committing one count of the crime of unlawful possession of cocaine, a felony, pursuant to ORS 475.884.

Failed to Notify Director of Change of Residence Address

Butler is subject to enforcement action pursuant to ORS 744.068(4)(c) because of the following circumstances. ORS 744.068(4)(c) requires an insurance producer licensed in Oregon as a resident insurance producer to notify the director of a change in residence address not later than the 30th day after the date of the change. Sometime before 5/23/12, Butler moved either from his last recorded residence address of 4573 Glacier Drive, Springfield, OR 97478-7501, or from another unknown address, to 3792 Emerald Street, Eugene, OR 97405-4398. Butler has not notified the director of this change of residence address.

Failed to Respond to Director's Inquiry

Butler is subject to enforcement action pursuant to ORS 731.296 because of the following circumstances. ORS 731.296 requires a person who is licensed in Oregon in any capacity under the Insurance Code to promptly and truthfully respond to an inquiry from the director. On 5/24/12, the director mailed by certified mail a letter dated 5/24/12 to Butler at 3792 Emerald Street, Eugene, OR 97405-4398. The letter requested Butler to provide certain information to the director by 6/22/12. On 5/29/12, Butler signed for the letter. The director has not received any response from Butler.

Order

Pursuant to ORS 744.074(1), Butler'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 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, OR 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 October 30, 2012

/s/ Louis Savage
Louis Savage
Insurance Commissioner

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