

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

In the Matter of **Logan B. Cooley**

) **FINAL ORDER**

) Case No. INS 12-09-008

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 Logan B. Cooley (Cooley).

On 10/23/12, 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 11/13/12. The notice also informed the party that if a hearing was not conducted because the party did not timely request a hearing or otherwise defaulted 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

Cooley was licensed in Oregon as a nonresident individual insurance producer from 11/10/09 to 6/14/12. On 6/14/12, Cooley voluntarily surrendered his license. Cooley's license was scheduled to expire on 9/30/12. Cooley's license number was 753423 and his NAIC national producer number is 11538137. Cooley's last recorded

residence and business address is 442 Greenwell Court, Lynchburg, VA 24502-3790; telephone number is 434-713-0706; and business telephone number is 434-237-7200.

ORS 744.011 permits the director to investigate and take enforcement action against a person who is no longer licensed because the license expired or was surrendered.

Used a Fraudulent, Coercive, or Dishonest Practice in Business

Cooley is subject to enforcement action pursuant to ORS 744.074(1)(h) because of the following circumstances. ORS 744.074(1)(h) 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 used a fraudulent, coercive, or dishonest practice, or demonstrated incompetence, untrustworthiness or financial irresponsibility in the conduct of business in Oregon or elsewhere. Cooley used a dishonest practice in the conduct of insurance business in Pennsylvania.

On 1/20/10, in the course of selling automobile insurance during a telephone solicitation with a person who resided in Pennsylvania, Cooley represented to a person who resided in Pennsylvania, that an automobile insurance policy to be issued by Nationwide Mutual Insurance Company (Nationwide) would include certain insurance coverages, and the person would also have roadside assistance, but then deleted, or failed to include, such insurance coverages and roadside assistance without the knowledge of the person. Subsequently, the person filed a claim for roadside assistance which was initially denied because Nationwide's records indicated that the person did not purchase the roadside assistance. Subsequently, Nationwide determined that the person intended to purchase, and had paid for, the roadside assistance. Nationwide restored the insurance coverages, and roadside assistance, and paid the claim.

On 4/4/11, in the course of selling automobile insurance during a telephone solicitation with a person who resided in Pennsylvania, Cooley charged the credit card of a person who resided in Pennsylvania a fee for membership in the Pennsylvania Farm Bureau without the knowledge of the person.

Administrative Action by Other State Insurance Regulator

Cooley is subject to enforcement action pursuant to ORS 744.074(1)(i) because of the following circumstances. ORS 744.074(1)(i) 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 another state insurance regulator canceled, revoked, suspended, or refused to renew, the person's license in that state as an insurance producer, adjuster or consultant. On 9/6/11, the insurance regulator for the State of Kentucky issued an order, number 2011-00369, revoking Cooley's Kentucky nonresident individual insurance producer license. Cooley had the right to request a hearing within 60 days by 11/7/11 pursuant to Kentucky Revised Statutes §304-2.310(2)(b). Cooley did not request a hearing. Thus, Cooley's license was revoked on 9/6/11. The insurance regulator took the action because Cooley violated Kentucky Revised Statutes §304.2-165(2) by failing to respond to three separate letters dated 7/19/11, 8/8/11, and 8/17/11 from the regulator, and KRS §304.9-440(1)(h) by engaging in "fraudulent, coercive or dishonest practices" by engaging in the conduct described above.

Failed to Report Administrative Action by Other State Insurance Regulator

Cooley is subject to enforcement action pursuant to ORS 744.089(1) because of the following circumstances. ORS 744.089(1) requires a person who is licensed in Oregon as an insurance producer to notify the director of any administrative action taken against the person by another state insurance regulator and provide a copy of the order within 30 days of the final disposition of the action. On 9/6/11, the insurance regulator for the State of Kentucky issued an order, number 2011-00369, revoking Cooley's Kentucky nonresident individual insurance producer license. Cooley had the right to request a hearing within 60 days by 11/7/11 pursuant to Kentucky Revised Statutes §304-2.310(2)(b). Cooley did not request a hearing. Thus, Cooley's license was revoked on 9/6/11. Cooley did not have the right to request judicial review of the action pursuant to Kentucky Revised Statutes §13B.140(2). Thus, the action was finally disposed of on 11/7/11. Cooley was required to notify the director of the action and provide a copy of the order by

12/7/11. Cooley has not notified the director of the action or provided a copy of the order.

Order

Pursuant to ORS 744.074(1), Cooley's surrendered Oregon nonresident 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 November 16, 2012 /s/ Louis Savage
Louis Savage
Insurance Commissioner

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