

STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of:

Case No. INS-15-03-020

HUSSEIN Y. FOUAD,

FINAL ORDER TO CEASE AND
DESIST AND ORDER DENYING
APPLICATION, ENTERED BY
DEFAULT

Applicant.

On July 20, 2015, the Director of the Department of Consumer and Business Services (“Director”), by and through the Insurance Division, now known as the Division of Financial Regulation (“Division”), properly served Notice on Hussein Y. Fouad (“Fouad”) that the Director intended to refuse to issue Fouad’s Non-Resident Insurance Producer License.

The Notice offered Fouad an opportunity for a hearing, if requested within 60 days. The Notice further informed Fouad that if a hearing was not conducted because Fouad did not timely request a hearing or otherwise defaulted, then the designated portion of the Director’s file and all materials submitted by Fouad in this case would automatically become part of the contested case record for the purpose of proving a *prima facie* case.

The Director received from Fouad a request for a hearing, which Fouad then withdrew, and no hearing was conducted.

The Director makes the following Findings of Fact, Conclusions of Law, Orders, and Notice of Right to Judicial Appeal.

FINDINGS OF FACT

The Director FINDS that:

1. Fouad applied for a Non-Resident Insurance Producer License (“License”) on

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387





1 March 13, 2015.

2 2. As part of the application process, Fouad completed and submitted to the
3 Division an application form indicating that he had never been subject to an
4 administrative proceeding.

5 3. During review of the application, the Division learned that Fouad was subject
6 to administrative action, resulting in the revocation of his Washington resident insurance
7 producer license in 2006.

8 4. On March 19, 2015, the Division sent a letter to Fouad requesting a copy of
9 the Washington administrative order and an explanation surrounding the incident. Fouad
10 responded to the Division's request, but denied knowing about the Washington
11 administrative action.

12 5. The Division received, from the State of Washington, documents related to
13 the license revocation, including a letter from Fouad acknowledging receipt of the order
14 revoking his license.

15 6. On July 20, 2015, the Division properly served notice on Fouad that the
16 Director intended to deny Fouad's application for a Non-Resident Insurance Producer
17 License. Fouad had 60 days to timely request a hearing. The Division received a request
18 for hearing, but Fouad later withdrew his request.

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20 **CONCLUSIONS OF LAW**

21 The Director CONCLUDES that:

22 7. Accurate information about the Fouad's history of administrative action is
23 material to the Director's decision whether to issue a License.

24 8. Fouad's representation in his application that he had not been subject to
25 administrative action was incorrect, misleading, incomplete, or materially untrue.

26 9. Fouad's representation to the Division that he was not aware of the

1 Washington order revoking his license is a misrepresentation made for the purpose of
2 obtaining an Oregon license.

3 10. Under ORS 731.260, no person shall file with the Director any application
4 known to be false or misleading.

5 11. Under ORS 744.074(1)(a), the Director may refuse to issue an insurance
6 producer license and may take other actions authorized by the Insurance Code in lieu
7 thereof or in addition thereto, if an applicant provides incorrect, misleading, incomplete
8 or materially untrue information in the license application.

9 12. Under ORS 744.074(1)(c), the Director may refuse to issue an insurance
10 producer license and may take other actions authorized by the Insurance Code in lieu
11 thereof or in addition thereto, if an applicant attempts to obtain a license though
12 misrepresentation or fraud.

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ORDERS

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Now, therefore, the Director issues the following Orders:

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13. As authorized by ORS 731.252(1), the Director ORDERS Fouad to CEASE
AND DESIST from violating any provision of the Insurance Code or the administrative
18 rules promulgated thereunder.

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14. The Director, pursuant to ORS 744.074(1)(a) and ORS 744.074(d), hereby
DENIES Fouad's application for a Non-Resident Insurance Producer License.

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SO ORDERED this 24th day of March, 2016.

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PATRICK M. ALLEN, Director
Department of Consumer and Business Services

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/s/ David Tatman
David C. Tatman, Chief of Enforcement
Division of Financial Regulation

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NOTICE OF RIGHT TO JUDICIAL APPEAL

You are entitled to judicial review of this order in accordance with ORS 183.482.
You may request judicial review by filing a petition with the Court of Appeals in Salem,
Oregon, within 60 days from the date this order is served.

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