

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

In the Matter of: Case No. INS 15-03-027
VARNEY AGENCY, INC., FINAL ORDER
Applicant.

On July 20, 2015, the Director of the Oregon 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 (“Notice”) on Varney Agency, Inc. (“Applicant”) that the Director intended to issue an order denying Applicant’s application for a nonresident insurance producer license.

The Notice offered Applicant an opportunity for hearing if requested within 60 days of service of the Notice. The Notice further informed Applicant that if a hearing was not conducted because Applicant did not timely request a hearing or otherwise defaulted, then the designated portion of the Division’s file and all materials submitted by Applicant 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 Applicant 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.

NOW THEREFORE, after considering the relevant portions of the Division’s file relating to this matter, the Director finds and orders as follows.

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350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387



1 FINDINGS OF FACT

2 The Director FINDS that:

3 1. Applicant applied for an Oregon nonresident insurance producer license
4 (“License”) on or around March 26, 2015. Applicant’s National Producer Number is
5 2232013.

6 2. As part of the application process, Applicant completed and submitted to the
7 Division an application form indicating that they had never been subject to an
8 administrative proceeding.

9 3. During review of the application, the Division learned that Applicant was
10 subject to administrative actions in Maine in 2002 and 2014.

11 4. The Division contacted Applicant and requested a copy of the Maine
12 administrative orders and an explanation surrounding the incidents. The Division also
13 informed Applicant that if the requested information was provided, their License would
14 be issued subject to a civil penalty. Applicant refused the offer and elected to have their
15 License application denied.

16 5. On July 20, 2015, the Division properly served notice on Applicant that the
17 Director intended to deny Applicant’s application for a nonresident insurance producer
18 license. Applicant had 60 days to timely request a hearing. The Division did not receive
19 a request for hearing from Applicant.

20
21 CONCLUSION OF LAW

22 The Director CONCLUDES that:

23 6. Accurate information in a license application is material to the Director’s
24 decision whether to issue a license.

25 7. Applicant’s statement on their application that they have never been involved
26 in an administrative proceeding was incorrect, misleading, incomplete or materially

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1 untrue.

2 8. Under Oregon Revised Statute (“ORS”) 744.074(1)(a), the Director may
3 refuse to issue a license if an applicant provides incorrect, misleading, incomplete or
4 materially untrue information in a license application.

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ORDER

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Now, therefore, the Director issues the following Orders:

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

11

12 10. As authorized by ORS 744.074(1)(a), the Director hereby DENIES
13 Applicant’s application for an Oregon nonresident insurance producer license.

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14 11. This Order is a Final Order under ORS 183.310(6)(b). Subject to that
15 provision, the entry of this Order does not limit other remedies, sanctions, or actions
16 which may be available to the Director under Oregon Law.

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SO ORDERED this 28th 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

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You are entitled to judicial review of this order in accordance with ORS 183.482.

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26 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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