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3 STATE OF OREGON
4 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
5 DIVISION OF FINANCIAL REGULATION

6 In the Matter of:

Case No. INS-16-0212

7 JEREMY KLEGSETH,

8 Respondent.

9 FINAL ORDER TO CEASE AND
10 DESIST, FINAL ORDER REVOKING
11 LICENSE AND ASSESSING A CIVIL
12 PENALTY, ENTERED BY DEFAULT

13 On May 13, 2016, the Director of the Department of Consumer and Business
14 Services (“Director”), by and through the Division of Financial Regulation (“Division”),
15 properly served Notice on Jeremy Klegseth (“Respondent”) that the Director intended to
16 revoke Respondent’s Resident Insurance Producer License.

17 The Notice offered Respondent an opportunity for a hearing, if requested within
18 30 days. The Notice further informed Respondent that if a hearing was not conducted
19 because Respondent did not timely request a hearing or otherwise defaulted, then the
20 designated portion of the Director’s file and all materials submitted by Respondent in this
21 case would automatically become part of the contested case record for the purpose of
22 proving a *prima facie* case.

23 The Director did not receive from Respondent a request for a hearing and did not
24 conduct a hearing.

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

26 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:

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





1 action under ORS 744.074(1)(g).

2 9. Under ORS 744.074(1)(k), the Director is authorized to take action when a
3 licensee has been found to have forged another person's name on an application for
4 insurance. Respondent forged a name on 55 separate instances on the 30 insurance
5 applications. Each forged name constitutes a separate instance authorizing action under
6 ORS 744.074(1)(k).

7 10. ORS 744.068(4)(c) requires a licensee to notify the Director within 30 days of
8 a change of residence. Respondent failed to update his residence address for at least a
9 year.

10 11. ORS 731.296 requires licensees to respond to Director's inquiries promptly
11 and truthfully. Respondent failed to respond to the inquiry letter sent July 25, 2014.

12 12. ORS 731.988(1) authorizes the Director to impose a civil penalty, not to
13 exceed \$1,000 per violation of any provision of the Insurance Code.

14 13. Under ORS 744.011(1), the expiration of a license or the voluntary surrender
15 of a license shall not deprive the Director of jurisdiction to proceed with any investigation
16 of, or any action or disciplinary proceedings against, the licensee or to revise or render
17 void an order suspending or revoking the license.

18
19 **ORDER**

20 Now therefore, the Director issues the following Orders:

21 14. As authorized by ORS 731.252(1), the Director **ORDERS** Respondent to
22 **CEASE AND DESIST** from violating any provision of the Insurance Code or the
23 administrative rules promulgated thereunder.

24 15. The Director, pursuant to ORS 744.074(1)(g) and ORS 744.074(k), hereby
25 **REVOKES** Respondent's Resident Insurance Producer License.

26 16. The Director, pursuant to ORS 731.988(1), levies a **CIVIL PENALTY** in the

1 amount of \$30,000, for the 30 fraudulently filled out and submitted insurance
2 applications.

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4 SO ORDERED this 27th day of June, 2016 in Salem,
5 Oregon.

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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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You may request judicial review by filing a petition with the Court of Appeals in Salem,

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Oregon, within 60 days from the date this order is served.

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