

1
2 STATE OF OREGON
3 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
4 DIVISION OF FINANCIAL REGULATION

4 In the Matter of:

Case No. INS-16-0160

5 PHILIP M. PETERSON,

6 Applicant.

7
8 FINAL ORDER TO CEASE AND
9 DESIST AND ORDER DENYING
10 LICENSE APPLICATION, ENTERED
11 BY DEFAULT

12 On May 2, 2016, the Director of the Department of Consumer and Business
13 Services (“Director”), by and through the Division of Financial Regulation (“Division”),
14 formerly the Insurance Division, properly served notice (“Notice”) on Philip M. Peterson
15 (“Applicant”) that the Director intended to issue an order denying Applicant’s resident
16 insurance producer license application.

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

23 The Director did not receive from Applicant 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 Now, therefore, after considering the relevant portions of the Division’s file
relating to this matter, the Director finds and orders as follows.

FINDINGS OF FACT

The Director FINDS that:

1. Applicant applied for an Oregon resident insurance producer license

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





1 (“License”) on or around May 15, 2015.

2 2. As part of the application process, Applicant completed and submitted to the
3 Division an application form indicating that he had never been convicted of a
4 misdemeanor or felony.

5 3. During review of the application, the Division learned that Applicant was
6 convicted of two drug related misdemeanors, Case No. 98-1-00257-2, in the Superior
7 Court of Washington for Kittitas County on February 5, 1999.

8 4. During review of the application, the Division also learned that Applicant was
9 convicted of a felony, Case No. CR 07-255-01-HA, in the United States District Court of
10 Oregon on February 9, 2009.

11 5. After the application was filed, and his prior criminal convictions were
12 discovered, Applicant admitted to being the subject of the convictions.

13 6. On March 29, 2016, the Division offered by means of a consent order to issue
14 the License subject to a civil penalty. Applicant, through lack of a response, declined the
15 issuance of his License subject to a civil penalty.

16 7. On May 2, 2016, the Division properly served notice on Applicant that the
17 Director intended to deny Applicant’s resident insurance producer license application.
18 Applicant had 60 days to timely request a hearing. The Division did not receive a request
19 for hearing from Applicant.

20 CONCLUSIONS OF LAW

21 The Director CONCLUDES that:

22 8. Accurate information about Applicant’s history of criminal conviction is
23 material to the Director’s decision whether to issue a License.

24 9. Applicant’s representation in his application that he had never been convicted
25 of a misdemeanor or felony was incorrect, misleading, incomplete or materially untrue.

26 10. Under ORS 744.074(1)(a), the Director may refuse to issue an insurance

1 producer license and may take other actions authorized by the Insurance Code in lieu
2 thereof or in addition thereto, if an applicant provides incorrect, misleading, incomplete
3 or materially untrue information in the license application.

4 11. Under ORS 744.074(1)(f), the Director may refuse to issue an insurance
5 producer license and may take other actions authorized by the Insurance Code in lieu
6 thereof or in addition thereto, if an applicant has been convicted of a felony.

7 **ORDERS**

8 Now, therefore, the Director issues the following Orders:

9 12. 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.

12 13. The Director, pursuant to ORS 744.074(1)(a) and ORS 744.074(1)(f), hereby
13 DENIES Applicant's application for a resident insurance producer license.

14
15 SO ORDERED this 5th day of August, 2016.

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

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

21 **NOTICE OF RIGHT TO JUDICIAL APPEAL**

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

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