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

In the Matter of	**Case No. INS-23-0018**
KENNETH YALE MADICK	FINAL ORDER TO CEASE AND DESIST, FINAL ORDER SUSPENDING LICENSE, FINAL ORDER ASSESSING CIVIL PENALTY, AND CONSENT TO ENTRY OF ORDER
Respondent	THIS IS A FINAL ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), acting in accordance with Oregon Revised Statutes ("ORS") chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 743B, 744, 746, 748 and 750 ("Insurance Code"), has conducted an investigation into the insurance related activities of Kenneth Yale Madick (hereinafter "Respondent") and determined that Respondent engaged in activities constituting violations of the Insurance Code.

Respondent wishes to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the authorized signatures subscribed on this Order, Respondent hereby CONSENTS to entry of this Order upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter.

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

FINDINGS OF FACT

The Director FINDS that:

1. Madick's National Association of Insurance Commissioners (NAIC) National Producer Number (NPN) is 7764442. Beginning on July 21, 2003, Madick had held a California property broker-agent license, a casualty broker-agent license, a life-only agent license, an accident and health agent license, and a brokering life settlement

license issued by the Insurance Commissioner (the "California Licenses"). Madick obtained an Oregon non-resident insurance producer license in 2011.

2. On or about February 27, 2020, the California Department of Insurance filed an Accusation against Madick, two companies controlled by Madick (Madick Insurance Services, LLC, and Professional Planning Corporation) and thirteen other Respondents. The Accusation alleged conduct occurring from 2011-2013.

3. By an order dated May 21, 2021, the Insurance Commissioner of the State of California adopted a stipulation entered into with Madick wherein Madick acknowledged that the allegations in the Accusation, if true, constituted grounds to revoke the California Licenses. The Order revoked Madick's California Licenses, however, Madick was issued restricted licenses which would be suspended for one year and would remain in place for two years following the expiration of the one-year suspension. Madick could thereafter apply to have his insurance license restrictions lifted. The order further assessed Madick a penalty of $30,000.

4. On April 11, 2022, Madick applied to renew his Oregon license and first reported the foregoing California administrative action to the Division and his renewal application has been pending since that time.

CONCLUSIONS OF LAW

5. Under ORS 744.074(1)(i), the Director may revoke an insurance producer license if any state revokes the producer's license or other evidence of authority to act as an adjuster or an insurance producer or consultant. The record of the revocation shall be conclusive evidence of the action taken.

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6. Because the California Insurance Commissioner revoked Madick's license to act as an insurance producer, the Director may revoke Madick's insurance producer license under ORS 744.074(1)(i).

7. Under ORS 744.089(1), an insurance producer shall report to the Director any administrative action taken against the insurance producer in another jurisdiction or by another governmental agency in this state not later than the 30th day after the date of the final disposition of the matter. This report shall include a copy of the order, consent to order and other relevant legal documents.

8. By failing to report the California administrative action taken against him to the Director within 30 days of the date of the final disposition in that matter, Madick violated ORS 744.089(1).

9. Under ORS 731.252(1), whenever the Director has reason to believe that any person has been engaged or is engaging or is about to engage in any violation of the Insurance Code, the Director may issue an order, directed to such person, to discontinue or desist from such violation or threatened violation.

10. Because the Director has reason to believe that Madick has violated the Insurance Code, including ORS 744.074(1) and ORS 744.089, the Director may issue an order directed to Madick to discontinue or desist from that violation under ORS 731.252(1).

11. Pursuant to ORS 731.988(1), the Director may impose a civil penalty of up to $1,000 per violation upon any insurance producer who violates a provision of the Insurance Code.

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ORDERS

The Director issues the following ORDERS:

Order to Cease and Desist

12. Pursuant to the authority of ORS 731.252(1), the Director hereby orders Madick to CEASE AND DESIST from violating ORS 744.074(1) and ORS 744.089.

Order Suspending License

13. Pursuant to ORS 744.074(1), the Director hereby SUSPENDS Madick's non-resident insurance producer license for NINE MONTHS, beginning the date this Order is fully executed.

14. During the suspension period, Madick shall perform the actions required to maintain his non-resident insurance producer license, including satisfying any applicable fee, filing, or continuing education requirements.

15. Based upon the foregoing, and in accordance with ORS 731.988(1), the Director ORDERS that Respondent be subject to a CIVIL PENALTY of $2,000.00 as follows:

A. $1,000.00 for violating ORS 744.074(1)(i); and

B. $1,000.00 for violating ORS 744.089(1).

16. The Director hereby suspends payment of $1,500.00 of the CIVIL PENALTIES for a period of three years, provided Respondent:

A. Complies with the terms of this Order; and

B. Does not violate the Insurance Code within the three-year time period.

17. The suspended CIVIL PENALTY ($1,500.00) will be waived three years from the effective date of this Order, provided Respondent has complied with the foregoing Order terms. Respondent's failure to satisfy any terms of this Order will

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render the suspended penalties immediately due and owing.

18. The non-suspended CIVIL PENALTY ($500.00) is due and payable at the time this Order is returned to the Division.

IT IS SO ORDERED.

Dated this 1st day of December, 2023.

Andrew Stolfi, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

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CONSENT TO ENTRY OF ORDER

I, Kenneth Yale Madick, have read the foregoing Order, and I know and fully understand the contents hereof. I have been advised of the right to a hearing and the right to be represented by counsel in this matter. I voluntarily consent to the entry of this Order with no force or duress, expressly waiving any right to a hearing in this matter and any rights to administrative or judicial review of this Order. I understand that the Director reserves the right to take further action to enforce this Order or to take action upon discovery of other violations of the Oregon Insurance Code. I agree to comply with the terms and conditions stated herein.

I understand that this Order is a public document.

Signature: */s/ Kenneth Yale Madick*

Name: **Kenneth Yale Madick**

ACKNOWLEDGMENT

State of _____

County of _____

Signed or attested before me on the _____ of _____, 2023

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Notary Public

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