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

In the Matter of HARDY, ROBERT NYLES (NPN# 2180774) Respondent.	Case No. INS-22-0100 FINAL ORDER TO CEASE AND DESIST, REVOKING LICENSE, DENYING LICENSE APPLICATION, AND ASSESSING CIVIL PENALTIES, ENTERED BY DEFAULT

On October 20, 2022, 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, 744, 746, 748 and 750 ("Insurance Code"), issued and served a Notice Order against Robert Nyles Hardy ("Hardy"), informing Hardy that the Director proposed to deny his Oregon nonresident insurance producer license renewal application, revoke his nonresident insurance producer license, and asses civil penalties against Hardy for certain violations of the Insurance Code.

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

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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.

FINDINGS OF FACT

The Director FINDS that:

1. Hardy is a Nevada resident with his last recorded address at 990 Equestrian Dr. Apt 1210, Henderson, Nevada 89002.

2. Hardy has been licensed in the State of Oregon as a nonresident insurance producer since April 24, 2020.

3. On April 27, 2022, the Illinois Department of Insurance suspended Hardy's producer license due to his unpaid personal tax liability.[1] Hardy failed to report this action to the Oregon Division of Financial Regulation ("Division").

4. On June 2, 2022, Hardy submitted an application with the Division to add a line of authority to his producer license. In his application, Hardy falsely answered "No" to question 2, denying he had been named or involved as a party in an administrative proceeding regarding any professional license.[2]

5. On July 19, 2022, the Division attempted to contact Hardy via e-mail requesting an explanation for his failure to report the action taken against him by Illinois and the false response on his application. The Division also requested copies of the administrative order. Hardy failed to respond.

6. As of September 15, 2022, no response from Hardy has been received. The Division attempted to contact Hardy by his primary business and residence phone number with no answer or option to leave a voicemail.

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[1] Hardy eventually paid the tax and his Illinois license was reinstated.
[2] This application is pending.

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CONCLUSIONS OF LAW

The Director CONCLUDES that:

7. ORS 744.074(1)(a) authorizes the Director to place a licensee on probation or to suspend, revoke or refuse to issue or renew a license for providing incorrect, misleading, incomplete or materially untrue information in the license application. Hardy violated ORS 744.074(1)(a) when he submitted an application with false information regarding the prior Illinois administrative action, thereby authorizing the Director to revoke Hardy's license and deny his June 2022 license renewal application.

8. Under ORS 731.296, the Director may address any proper inquiries to any insurer, licensee or its officers in relation to its activities or condition or any other matter connected with its transactions. Any such person so addressed shall promptly and truthfully reply to such inquiries using the form of communication requested by the Director. The reply shall be verified by an officer of such person, if the Director so requires. Hardy violated ORS 731.296 when he failed to respond to the Director's inquiries as set forth in Paragraphs (5-6) above.

9. ORS 744.074(1)(b) authorizes the Director to place a licensee on probation or to suspend, revoke or refuse to issue or renew a license for violating any insurance laws. Hardy's violations of ORS 744.074(1)(a) and ORS 731.296 authorize the Director to revoke Hardy's license and deny his license application, pursuant to ORS 744.074(1)(a) and (b).

10. ORS 731.988(1) authorizes the Director to impose civil penalties against an individual insurance producer in the amount up to $1,000 per violation for any violation of the Insurance Code, including violations of ORS 744.074 and 731.296.

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ORDERS

The Director issues the following ORDERS:

11. Pursuant to ORS 731.252(1), the Director hereby ORDERS Hardy to CEASE AND DESIST from violating any provision of the Insurance Code, or any administrative rule adopted by the Director under those statutes.

12. Pursuant to ORS 744.074(1)(a) and (b), the Director hereby DENIES Hardy's nonresident individual insurance producer license application.

13. Pursuant to ORS 744.074(1)(a) and (b), the Director hereby REVOKES Hardy's nonresident individual insurance producer license.

14. The Director, pursuant to ORS 731.988(1), ORDERS that Hardy be subject to a CIVIL PENALTY of $500 for violating ORS 744.074 and 731.296.

DESIGNATION OF RECORD

15. Pursuant to ORS 183.417, the Director designates the Director's file on this matter, which includes any materials submitted by Hardy, as the record in this case. In accordance with OAR 137-003-0670(3)(a)-(b), the record contains sufficient evidence of the existence of facts necessary to support a final order by default should the Director issue such an order.

IT IS SO ORDERED.

Dated this 22nd day of December, 2022.

Andrew R. Stolfi, Director
Department of Consumer and Business Services

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

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Judicial review of final orders in contested cases is governed by ORS 183.482. Respondent 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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