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

In the Matter of: ROMY D. HAYDEN, Respondent.	Case No. INS-24-0018 ORDER TO CEASE AND DESIST, FINAL ORDER ASSESSING CIVIL PENALTIES, AND CONSENT TO ENTRY OF 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 activities of Romy D. Hayden ("Respondent") and determined that Respondent engaged in violations of the Insurance Code.

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

Now, therefore, as evidenced by the signature(s) subscribed on this Order, Respondent hereby CONSENTS to entry of this Order.

FINDINGS OF FACT

The Director FINDS that:

1. Respondent is a resident of the State of Oregon, but has never been a licensed insurance producer in this state.

2. In early March 2023, Respondent began claiming that she had purchased an insurance company operating in Eugene, Oregon, which will hereinafter be referred to as "TPI." TPI is a legitimate insurance company that holds an insurance producer license with the Division. Respondent falsely claimed that she had purchased TPI.

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3. On or about March 12, 2023 Hayden provided an offer letter to Oregon resident "JH," which purported to offer a job to him as her assistant. In the letter, Respondent falsely identified herself as the sales manager for TPI, and used TPI's letterhead to make the letter look as though it was TPI offering the job. JH's job duties included clerical tasks, creating sales presentations, and attending sales calls or meetings as requested. Among other things, Respondent offered JH a $72,000 annual salary and health and life insurance. JH accepted the offer, cancelled his health insurance, and began working for Respondent on or about March 20, 2023. Respondent paid JH a total of $6,400 in cash over the course of his employment.

4. At some point in late March or early April 2023, Respondent decided to cease using the TPI name and instead started calling her business RDH Insurance. On or about April 13, 2024 she registered an entity called RDH Insurance LLC with the Oregon Secretary of State. This entity has never held nor applied for any license with the Division that would authorize it to sell insurance.

5. On April 1, 2023, Respondent provided an offer letter using RDH Insurance letterhead to Oregon resident "JC," which purported to offer a job to her as a sales associate. JC has never held an insurance producer license in Oregon. In the letter, Respondent identified herself as the CEO of RDH Insurance. Among other things, Respondent offered JC a $100,000 annual salary and health, dental, and vision insurance. JC accepted the offer and began working for Hayden on or about May 1, 2023. Respondent paid JC a total of $3,200 in cash over the course of her employment.

6. On April 1, 2023, Respondent provided an offer letter using RDH Insurance letterhead to Oregon resident "MH," which purported to offer a job to her as the company's chief financial officer. Respondent identified herself as the CEO of RDH Insurance. Among other things, Respondent offered MH a $100,000 annual salary and health, dental, and vision insurance. MH accepted the offer and began working for Respondent

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immediately. Respondent paid JH a total of $5,100 in cash over the course of her employment.

7. On or about May 8, 2023, Respondent provided an offer letter using RDH Insurance letterhead to Oregon resident "JP," which purported to offer a job to him as an insurance producer. His duties would include insurance sales and meeting with providers and clients. Respondent offered him $115,000 a year and benefits. JP had first met Respondent in 2022 when they were neighbors. Respondent had encouraged JP to obtain an insurance producer license, which he did on November 29, 2022. JP worked at a different insurance company for, at most, a few months, before accepting the job that Respondent offered. JP was never paid for his work, and never sold an insurance policy while employed with RDH Insurance LLC.

8. On or about May 29, 2023, Respondent contracted with an individual, "BB," to create a website for RDH Insurance. Respondent told BB that she had purchased TPI, and explained that she had renamed the business to RDH Insurance. BB created a website for RDH Insurance, but the website remained in "maintenance mode," which meant that the public could not actually view its contents. When BB did not receive payment for her services, she contacted the actual TPI and learned that Respondent had lied about purchasing that business. BB emailed Respondent to state that they would no longer do business together. BB was never paid for the services rendered to Respondent or RDH Insurance LLC.

9. Shortly after contracting with BB, Respondent also contracted with BB's friend "AK" to set up social media accounts and posts. AK set up social media accounts for RDH Insurance LLC, but never received any payment for those services.

10. On June 17, 2023 Respondent sent a text message to all of RDH Insurance LLC's employees stating that she was closing the business and that they could file a claim with the Oregon Bureau of Labor & Industries to receive the pay that they were owed.

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11. From its inception through June 2023, Respondent held RDH Insurance LLC out as an insurance seller, but neither Respondent nor RDH Insurance LLC has ever held any license with the Division authorizing the sale of insurance.

12. On August 15, 2023 the Eugene Police Department arrested Respondent, and on August 28, she was charged with three counts of identity theft, three counts of forgery in the first degree, and one count of theft of services. The first six counts were all related to Respondent's forgery of three checks while operating RDH Insurance LLC, and the final count was related to her failure to pay JH, JC, MH, JP, BB, and AK. On January 30, 2024, Respondent pleaded guilty to two counts of identity theft, one count of forgery in the first degree, and one count of theft of services.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

13. The Director has jurisdiction over Respondent's business activities pursuant to ORS 731.236.

14. Pursuant to ORS 744.053, a person may not sell, solicit or negotiate insurance in this state for any class or classes of insurance unless the person is licensed as an insurance producer for that class or those classes in accordance with ORS 744.052 to 744.089.

15. Despite never having obtained a producer license to sell insurance, Respondent created a business whose sole purpose was to sell insurance and hired employees to help facilitate the sale of insurance in this state. She also held herself out to the public as being in the business of selling insurance, contracted with BB to create a website related to the sale of insurance, and contracted with AK to create social media content related to the sale of insurance, all with the purpose of soliciting insurance in this state.

16. Pursuant to ORS 746.110, a person may not make an advertisement, announcement, or statement containing any assertion, representation or statement with

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respect to the business of insurance or with respect to any person in the conduct of the insurance business, which is untrue, deceptive or misleading.

17. Respondent violated ORS 746.110 by: 1) offering a job to JH using the letterhead of an existing, licensed insurance producer that she falsely represented that she had purchased; 2) offering jobs to JC, MH, JP related to the business of selling insurance when neither she nor RDH Insurance LLC held an insurance producer license with the Division that would have permitted insurance sales; 3) holding herself out to the public as being in the business of selling insurance; 4) contracting with BB to create a website related to the sale of insurance; and 5) contracting with AK to create social media content related to the sale of insurance.

18. Pursuant to ORS 746.100, no person shall make a false or fraudulent statement or representation on or relative to an application for insurance, or for the purpose of obtaining a fee, commission, money or benefit from an insurer or insurance producer.

19. Respondent violated ORS 746.100 by making false statements to JP, either explicitly or implicitly, representing that RDH Insurance LLC was legally permitted in the State of Oregon to sell insurance. Respondent made these false statements in order to obtain a monetary benefit from employing JP as an insurance producer.

20. Pursuant to 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.

21. Because the Director has reason to believe that a Respondent has violated ORS 744.053, 746.110, and 746.100, the Director may issue an order directed to the Respondent to discontinue or desist from those violations under ORS 731.252(1).

22. Pursuant to ORS 731.988(1), the Director may impose a civil penalty of up to $10,000 per violation upon a person who violates the Insurance Code.

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ORDERS

The Director issues the following ORDERS:

23. Pursuant to the authority of ORS 731.252(1), the Director ORDERS Respondents to CEASE AND DESIST from violating ORS 744.053, 746.110, and 746.100.

24. As authorized by ORS 731.988(1), the Director ORDERS that Respondent be subject to a CIVIL PENALTY of $20,000 for violations of ORS 744.053, 746.110, and 746.100.

25. The Director SUSPENDS payment of $20,000 of the CIVIL PENALTY assessed in paragraph 24, provided that Respondent complies with these conditions:

A. Respondent shall not ever apply for any license or any registration of any kind that is issued by or otherwise falls within the statutory authority of the Division to regulate;

B. Respondent shall not ever seek or obtain employment by any person or entity that is regulated under the Division's statutory authority;

C. Respondent shall not violate the Insurance Code or any other statute that provides the Division with statutory authority to regulate or any administrative rule issued by the Division; and

D. Respondent does not violate the terms of this Consent Order.

26. If Respondent fails to satisfy the described in paragraph 25 following the date of this Order, at any time and for any reason, the suspended civil penalties of $20,000 will become immediately due and owing.

27. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, entry of this Order does not limit or prevent further remedies available to the Director under Oregon law to enforce this Order or take action for violations of this Order or of the Insurance Code not covered by this Order.

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28. This Order is binding upon Respondent's successors and assigns.

IT IS SO ORDERED.

Dated this 7th day of June 2024.

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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CONSENT TO ENTRY OF ORDER

I, Romy D. Hayden, state that I 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 of the right to be represented by counsel in this matter. I desire to resolve and settle this matter with the Director. I voluntarily, without any force or duress, consent to the entry of this order, expressly waiving any right to a hearing in this matter. I understand that the Director reserves the right to take further actions to enforce this order or to take appropriate actions upon the discovery of other violations of the Oregon Insurance Code or laws regulated under the Division's statutory authority, and I will fully comply with the terms and conditions stated herein.

I further understand that this consent order is a public document.

Dated this 6th day of June 2024.

/s/ Romy D Hayden
Romy D. Hayden

State of Oregon

County of Lane

Signed or attested before me on this 6th day of June, 2024

by Romy Durbin Hayden.

/s/ Leah Geocaris
Notary Public

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