

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

In the Matter of:

Case No. INS-16-0035

ARRAY FINANCIAL SERVICES, INC.,

Applicant.

ORDER TO CEASE AND DESIST,
FINAL ORDER TO ISSUE LICENSE,
FINAL ORDER ASSESSING CIVIL
PENALTY 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, 744, 746, 748 and 750 (“Insurance Code”) and specifically ORS 744.074, has conducted an investigation into the Nonresident Insurance Producer License application of Array Financial Services, Inc. (“Applicant”).

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

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

FINDINGS OF FACT

The Director FINDS that:

1. Applicant applied for an Oregon Nonresident Insurance Producer License (“License”) on or around December 1, 2015.
2. As part of the application process, Applicant completed and submitted to the Division of Financial Regulation (“Division”), formerly the Insurance Division, an application form indicating that they had never been named or involved as a party in an

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1 administrative proceeding.

2 3. During review of the application, the Division learned that Applicant was
3 subject to an administrative proceeding in Minnesota on July 26, 2011, File No.
4 20021/SMK, that resulted in a \$250 civil penalty.

5 4. After the application was filed, and the prior administrative proceeding was
6 discovered, Applicant admitted to being the subject of that proceeding.

7
8 **CONCLUSIONS OF LAW**

9 The Director CONCLUDES that:

10 5. Accurate information about an applicant's history of administrative
11 proceedings is material to the Director's decision whether to issue a License.

12 6. Applicant's representation in their application that they had not been named or
13 involved as a party in an administrative proceeding was incorrect, misleading, incomplete
14 or materially untrue.

15 7. Under ORS 731.260, no person shall file with the Director any application
16 known to be false or misleading.

17 8. Under ORS 744.074(1)(a), the Director may refuse to issue an insurance
18 producer license and may take other actions authorized by the Insurance Code in lieu
19 thereof or in addition thereto, if an applicant provides incorrect, misleading, incomplete
20 or materially untrue information in the license application.

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

23
24 **ORDERS**

25 Now therefore, the Director issues the following Orders:

26 10. As authorized by ORS 731.252(1), the Director ORDERS Applicant to

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1 CEASE AND DESIST from violating any provision of the Insurance Code or the
2 administrative rules promulgated thereunder.

3 11. Based upon the foregoing and in accordance with ORS 731.988(1), the
4 Director ORDERS that a Nonresident Insurance Producer License be issued to Applicant,
5 subject to a CIVIL PENALTY of \$250 for providing incorrect, misleading, incomplete or
6 materially untrue information in a license application.

7 12. The CIVIL PENALTY assessed herein is due and payable at the time this
8 Order is returned to the Division.

9 SO ORDERED this 25 day of February, 2016.

10 PATRICK M. ALLEN, Director
11 Department of Consumer and Business Services

12
13 /s/ Laura Cali
14 Laura N. Cali, Insurance Commissioner
15 Administrator, Division of Financial Regulation

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ENTITY CONSENT TO ENTRY OF ORDER

I, Sheryl Frieman, state that I am an officer of Array Financial Services, Inc. and I am authorized to act on its behalf. 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. Array Financial Services, Inc. voluntarily and without any force or duress consents to the entry of this order expressly waiving any right to a hearing in this matter. Array Financial Services, Inc. understands that the Director reserves the right to take further actions to enforce this order or to take appropriate action upon discovery of other violations of the Oregon Insurance Code. Array Financial Services, Inc. will fully comply with the terms and conditions stated herein.

Array Financial Services, Inc. understands that this order is a public document.

ARRAY FINANCIAL SERVICES, INC.

/s/ Sheryl Frieman
Signature

State of Minnesota

County of Scott

There appeared before me on this 17th day of February, 2016, Sheryl Frieman who was first duly sworn on oath, and stated that she was and is an officer of Array Financial Services Inc. and that she is authorized and empowered to sign this Consent to Entry of Order on behalf of Array Financial Services, Inc. and to bind Array Financial Services, Inc. to the terms hereof.

Robert Vollbrecht
Notary Public

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