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

In the Matter of: TERRA ADMINISTRATORS, INC., Licensee.	Case No. INS-17-0044 ORDER TO CEASE AND DESIST, FINAL ORDER TO SUSPEND LICENSE FOLLOWED BY A PERIOD OF PROBATION, AND FINAL ORDER ASSESSING CIVIL PENALTY, ENTERED BY CONSENT

The Director of the Department of Consumer and Business Services for the State of Oregon (the "***Director***"), acting in accordance with the 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, commenced this administrative proceeding to take enforcement action against Terra Administrators, Inc. ("***Licensee***") under ORS 744.074(1)(o) and 731.988(1).

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

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

FINDINGS OF FACT

The Director FINDS that:

1. Licensee obtained an Oregon Insurance Producer License (the "***License***") on or around January 21, 2014. The License expires on January 31, 2018.

2. Licensee's NAIC national producer number is 8904904.

3. On or around October 13, 2016, the Director, acting through the Oregon Division of Financial Regulation, previously the Oregon Insurance Division (collectively

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350 Winter Street NE, Suite 410
Salem, OR 97301-3881
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the "***Division***"), issued an Amended Order to Cease and Desist, Notice of Proposed Order Suspending License and Assessing Civil Penalty, and Opportunity for Hearing (the "***Notice Order***") against Licensee as related to alleged violations of the Insurance Code. The Notice Order was served on Licensee on October 13, 2016 by first class mail and certified mail, return receipt requested, at the address Licensee listed with the Division as its business address and mailing address, and the address Licensee listed with the Oregon Secretary of State for Licensee's registered agent in Oregon.

4. The Notice Order alleged that Licensee violated ORS 744.738(1) and Oregon Administrative Rule ("***OAR***") 836-075-0040 when it failed to file annual reports on Licensee's Oregon third party administrator license (License No. 0100171353).

5. The Notice Order required that Licensee file a written request for a contested case hearing on the allegations contained in the Notice Order within 20 days from the date the Notice Order was served on Licensee by certified mail.

6. Licensee did not request a hearing on or before the deadline, November 2, 2016. Accordingly, on November 7, 2016, the Division issued a Final Order to Cease and Desist, Suspending License, and Assessing Civil Penalty, Entered by Default (the "***Final Order***"). The Final Order suspended Licensee's third party administrator license and assessed $1,000 in civil penalties, due and payable by Licensee to the Director 10 days after the Final Order became final by operation of law or on appeal.

7. On November 9, 2016, the Division served Licensee with the Final Order by first class mail and certified mail, return receipt requested, at the same addresses described in Paragraph 3 above.

8. The deadline for Licensee to appeal the Final Order was 60 days from the date of service of the Final Order, or January 9, 2017. Licensee did not file an appeal of the Final Order on or before the appeal deadline.

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9. Licensee failed to pay any of the $1,000 in civil penalties due and payable to the Director prior to initiation of the above-captioned administrative action.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

10. Under ORS 744.074(1)(o), the Director may place a licensee on probation or suspend, revoke or refuse to issue or renew an insurance producer license for failing to pay a civil penalty assessed by the Director that has become final by operation of law or upon appeal.

11. The Final Order became final by operation of law or on appeal on January 10, 2017, the day following the expiration of the appeal deadline.

12. Under ORS 183.745(2), and the terms of the Final Order, the $1,000 civil penalty assessed against Licensee in the Final Order became due and payable to the Director ten days after January 10, 2017, or January 20, 2017.

13. The Director may suspend and place Licensee's License on probation under ORS 744.074(1)(o), on the basis that Licensee failed to pay any of the $1,000 in civil penalties assessed in the Final Order when due and payable to the Director.

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14. Under ORS 731.988(1), the Director may assess a civil penalty of up to $10,000 against any person that violates a provision of the Insurance Code or any lawful rule or final order of the Director.

15. The Director may assess a civil penalty of $1,000 against Licensee on the basis that Licensee violated the Final Order issued by the Director.

ORDERS

Now therefore, the Director issues the following Orders:

16. As authorized by ORS 731.252(1), the Director ORDERS Licensee to CEASE AND DESIST from violating any provision of the Insurance Code or the administrative rules promulgated thereunder.

17. The Director, pursuant to ORS 744.074(1)(o), hereby SUSPENDS Licensee's License for a period of thirty (30) days, beginning on the effective date of this Order. The suspension shall terminate at the end of the thirty (30) day period, so long as the following conditions were met during the suspension period:

A. Licensee did not engage in any activity requiring a license in Oregon, including, but not limited to, the sale, solicitation or negotiation of insurance in Oregon for any class or classes of insurance;

B. Licensee filed 2015 and 2016 annual reports with the Division as related to its third party administrator license, in accordance with the requirements of ORS 744.738(1) and OAR 836-075-0040; and

C. Licensee submitted a surrender of its third party administrator license to the Division.

18. At the conclusion of the License suspension period, and so long as the conditions described in Section 17 above have been met, the Director, pursuant to ORS 744.074(1)(o), hereby ORDERS that Licensee's Oregon Insurance Producer License shall be REINSTATED, subject the following PROBATION conditions:

A. Licensee will obey all federal, state and local laws;

B. Licensee will comply with all applicable insurance statutes, rules and regulations;

C. Licensee will report to the Division in writing not later than the tenth day of each calendar-year quarter (April 10th, July 10th, October 10th, and January 10th), providing a description of its insurance-related activities during the preceding quarter. Such report will include the following for each insurance product sold:

i. Name of the insurer;

ii. Name and address of the consumer, and telephone number if available;

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iii. Type of policy sold;

iv. Dollar amount (face value) of the policy sold; and

v. Commission earned for the sale.

D. All reports or other communication to the Division pursuant to these probationary terms will be delivered electronically to DFR.Enforcement@oregon.gov; and

E. This probation period will begin upon the conclusion of the suspension period described in Section 17 above, and will continue for a period of two years. The probation period will end without further action by the Division unless the probation period is extended by the Director.

19. In accordance with ORS 731.988(1), the Director hereby assesses a CIVIL PENALTY of $1,000 (One Thousand Dollars) against Licensee for violating the Final Order issued by the Director. Licensee made payment of such civil penalty to the Division on or around April 13, 2017.

20. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, entry of this Order in no way limits or prevents further remedies, sanctions, or actions which may be available to the Director under Oregon law to enforce this Order, for violations of this Order, for conduct or actions of Respondent that are not covered by this Order, or against any party not covered by this Order.

SO ORDERED this 27th day of April, 2017 in Salem, Oregon.

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

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

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CONSENT TO ENTRY OF ORDER

I, Ronald Swartout, state that I am an officer of Terra Administrator, Inc. ("***Licensee***"), and that I am authorized to act on its behalf; that I have read the foregoing Order and that I know and fully understand the contents hereof; that I have been advised of Licensee's right to a hearing in this matter; that Licensee has had the opportunity to be represented by counsel in this matter; that Licensee voluntarily and without any force or duress, consents to the entry of this Order, expressly waiving any right to a hearing in this matter; that Licensee executes this Order as a settlement of the matters referred to in the foregoing Order; that Licensee 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 Insurance Code by Licensee, and; that Licensee will fully comply with the terms and conditions stated herein.

Licensee understands that this Order is a public document.

/s/ Ronald Swartout
Signature
Ronald Swartout
Printed name
VP
Office held

State of Florida
County of Miami-Dode

There appeared before me this 27th day of April, 2017, Ronald Swartout, and stated that he/she was and is an officer of Licensee, and that he/she is authorized and empowered to sign this Order on behalf of Licensee, and to bind it to the terms hereof.

/s/ Yessica S. Cuellar
Notary Public - State of Florida
Commission No. FF 230360

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