

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

In the Matter of:

Case No. INS-17-0108

MICHAEL J. MOSSO and MOSSO
INSURANCE, LLC,

Respondents.

ORDER TO CEASE AND DESIST,
FINAL ORDER IMPOSING TERMS
OF PROBATION, 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, 743B, 744, 746, 748 and 750 (“Insurance Code”) and specifically 746.100, has investigated the insurance related activities of Michael J. Mosso and Mosso Insurance, LLC (collectively “Respondents”) and commenced this administrative proceeding in order to take enforcement action against Respondents.

Respondents wish to resolve and settle this matter with the Director.

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

FINDINGS OF FACT

The Director FINDS that:

1. Michael J. Mosso (“Mosso”) has been licensed as an Oregon resident insurance producer since September 3, 2004. Mosso’s national producer number is 8212012.

2. Mosso Insurance, LLC (“Mosso Insurance”) is a domestic limited liability

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Telephone: (503) 378-4387



1 company with its principle place of business at 17655 SE McLoughlin Blvd., Milwaukie,
2 OR 97267. Mosso Insurance has been licensed as an Oregon resident insurance producer
3 since June 2, 2016. Mosso Insurance’s national producer number is 17955489.

4 3. An SR-22 is a certificate which shows that a driver has liability insurance. An
5 SR-22 is proof of "future responsibility" and is posted to the driver’s driving record.¹

6 4. On January 1, 2014, Mosso was appointed with Allstate Insurance Company
7 (“Allstate”) to sell its products pursuant to the terms of an Allstate R3001S Exclusive
8 Agency Agreement.

9 5. Between January 23, 2015 and December 29, 2015, Mosso falsified
10 automobile insurance applications on 13 different occasions as follows:

11 A. On or around January 23, 2015, Mosso submitted an application for Oregon
12 consumer “JZ.” On the application, Mosso answered “no” to the question “Has any
13 license or permit to drive any motor vehicle been revoked, suspended or refused?” The
14 application included a \$49.95 certified risk surcharge, indicating that JZ required an SR-
15 22. According to the Oregon Department of Motor Vehicles, JZ’s license was
16 suspended at the time of the application and an SR-22 would not reinstate his license and
17 was not required.

18 B. On or around February 8, 2015, Mosso submitted an application for Oregon
19 consumer “JM.” On the application, Mosso answered “no” to the question “Has any
20 license or permit to drive any motor vehicle been revoked, suspended or refused?” The
21 application included a \$41.27 certified risk surcharge, indicating that JM required an SR-
22 22. According to the Oregon Department of Motor Vehicles, JM’s license was
23 suspended at the time of the application and an SR-22 would not reinstate his license and
24 was not required.

25 C. On or around April 29, 2015, Mosso submitted an application for Oregon
26

¹ <http://www.oregon.gov/ODOT/DMV/pages/driverid/sr22.aspx>





1 consumer "GS." On the application, Mosso answered "no" to the question "Has any
2 license or permit to drive any motor vehicle been revoked, suspended or refused?" The
3 application included a \$63.02 certified risk surcharge, indicating that GS required an SR-
4 22. According to the Oregon Department of Motor Vehicles, GS's license was
5 suspended at the time of the application and an SR-22 would not reinstate his license and
6 was not required.

7 D. On or around June 21, 2015, Mosso submitted an application for Oregon
8 consumer "MB." The application included a \$36.77 certified risk surcharge, indicating
9 that MB required an SR-22. According to the Oregon Department of Motor Vehicles, an
10 SR-22 was not required.

11 E. On or around July 10, 2015, Mosso submitted an application for Oregon
12 consumer "HR." On the application, Mosso answered "no" to the question "Has any
13 license or permit to drive any motor vehicle been revoked, suspended or refused?" The
14 application included a \$120.65 certified risk surcharge, indicating that HR required an
15 SR-22. According to the Oregon Department of Motor Vehicles, HR's license was
16 suspended at the time of the application and an SR-22 would not reinstate his license and
17 was not required.

18 F. On or around July 13, 2015, Mosso submitted an application for Oregon
19 consumer "ME." On the application, Mosso answered "no" to the question "Has any
20 license or permit to drive any motor vehicle been revoked, suspended or refused?" The
21 application included a \$63.30 certified risk surcharge, indicating that ME required an
22 SR-22. According to the Oregon Department of Motor Vehicles, ME's license was
23 suspended at the time of the application and an SR-22 would not reinstate his license and
24 was not required.

25 G. On or around July 23, 2015, Mosso submitted an application for Oregon
26 consumer "SS." On the application, Mosso answered "no" to the question "Has any



1 license or permit to drive any motor vehicle been revoked, suspended or refused?" The
2 application included a \$70.12 certified risk surcharge, indicating that SS required an SR-
3 22. According to the Oregon Department of Motor Vehicles, SS's license was
4 suspended at the time of the application and an SR-22 would not reinstate his license and
5 was not required.

6 H. On or around August 15, 2015, Mosso submitted an application for Oregon
7 consumer "GM." On the application, Mosso answered "no" to the question "Has any
8 license or permit to drive any motor vehicle been revoked, suspended or refused?" The
9 application included a \$75.78 certified risk surcharge, indicating that GM required an
10 SR-22. According to the Oregon Department of Motor Vehicles, GM's license was
11 suspended at the time of the application and an SR-22 would not reinstate his license and
12 was not required.

13 I. On or around August 18, 2015, Mosso submitted an application for Oregon
14 consumer "RM." On the application, Mosso answered "no" to the question "Has any
15 license or permit to drive any motor vehicle been revoked, suspended or refused?" The
16 application included a \$45.41 certified risk surcharge, indicating that RM required an
17 SR-22. According to the Oregon Department of Motor Vehicles, RM's license was
18 suspended at the time of the application and an SR-22 would not reinstate his license and
19 was not required.

20 J. On or around August 20, 2015, Mosso submitted an application for Oregon
21 consumer "DP." On the application, Mosso answered "no" to the question "Has any
22 license or permit to drive any motor vehicle been revoked, suspended or refused?" The
23 application included a \$109.94 certified risk surcharge, indicating that DP required an
24 SR-22. According to the Oregon Department of Motor Vehicles, DP's license was
25 suspended at the time of the application and an SR-22 would not reinstate his license and
26 was not required.



1 K. On or around August 24, 2015, Mosso submitted an application for Oregon
2 consumer “SR.” On the application, Mosso answered “no” to the question “Has any
3 license or permit to drive any motor vehicle been revoked, suspended or refused?” The
4 application included a \$47.37 certified risk surcharge, indicating that SR required an SR-
5 22. According to the Oregon Department of Motor Vehicles, SR’s license was
6 suspended at the time of the application and an SR-22 would not reinstate his license and
7 was not required.

8 L. On or around November 1, 2015, Mosso submitted an application for Oregon
9 consumer “AT.” On the application, Mosso answered “no” to the question “Has any
10 license or permit to drive any motor vehicle been revoked, suspended or refused?” The
11 application included a \$50.29 certified risk surcharge, indicating that AT required an
12 SR-22. According to the Oregon Department of Motor Vehicles, AT’s license was
13 suspended at the time of the application and an SR-22 would not reinstate his license and
14 was not required.

15 M. On or around November 2, 2015, Mosso submitted an application for Oregon
16 consumer “KB.” On the application, Mosso answered “no” to the question “Has any
17 license or permit to drive any motor vehicle been revoked, suspended or refused?” The
18 application included a \$52.57 certified risk surcharge, indicating that KB required an
19 SR-22. According to the Oregon Department of Motor Vehicles, KB’s license was
20 suspended at the time of the application and an SR-22 would not reinstate his license and
21 was not required.

22 6. On or around May 6, 2016, Allstate terminated for cause Mosso’s
23 appointments with Allstate due to falsification of documents.

24 7. On or around May 13, 2016, the Division of Financial Regulation
25 (“Division”) received notification from Allstate that Mosso had been terminated for
26 cause.

1 CONCLUSIONS OF LAW

2 The Director CONCLUDES that:

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

7 9. Pursuant to ORS 744.074(1)(h), the Director may place a licensee on
8 probation or suspend, revoke or refuse to issue or renew an insurance producer license
9 and may take other actions authorized by the Insurance Code in lieu thereof or in addition
10 thereto, for using fraudulent, coercive or dishonest practices, or demonstrating
11 incompetence, untrustworthiness or financial irresponsibility in the conduct of business in
12 this state or elsewhere.

13 10. Mosso used fraudulent, coercive or dishonest practices, or demonstrated
14 incompetence, untrustworthiness or financial irresponsibility on 13 different occasions as
15 described in Paragraph 4A through Paragraph 4M.

16 11. Pursuant to ORS 746.100, no person shall make a false or fraudulent
17 statement or representation on or relative to an application for insurance.

18 12. Mosso violated ORS 746.100 by making false or fraudulent statements or
19 representations on an application for insurance on 13 different occasions as described in
20 Paragraph 4A through Paragraph 4M.

21 13. Pursuant to ORS 744.074(1)(b), the Director may place a licensee on
22 probation or suspend, revoke or refuse to issue or renew an insurance producer license
23 and may take other actions authorized by the Insurance Code in lieu thereof or in addition
24 thereto, for violating any insurance laws, or violating any rule, subpoena or order of the
25 Director.

26 14. Pursuant ORS 731.988(1) the Director may impose a civil penalty of up to

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1 \$1,000 per violation upon any individual who violates a provision of the Insurance Code.

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ORDERS

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Now therefore, the Director issues the following Orders:

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

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16. Based upon the foregoing and in accordance with ORS 731.988(1), the
9 Director ORDERS that Respondents pay a CIVIL PENALTY of \$1,000 per violation for
10 making a false or fraudulent statement or representation relative to an application for
11 insurance on 13 separate occasions in violation of ORS 746.100 for a TOTAL CIVIL
12 PENALTY of \$13,000.

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17. The Director SUSPENDS the collection of \$8,000 of the total \$13,000 CIVIL
14 PENALTY assessed above, so long as Respondents comply with all terms and conditions
15 of this Consent Order and all requirements of the Insurance Code. If Respondents
16 comply with the terms of this Consent Order and the Director has not initiated an
17 enforcement action for new violations of the Insurance Code during the three-year period
18 from the effective date of this Consent Order, the Director WAIVES the collection of the
19 suspended CIVIL PENALTY assessed herein.

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18. Respondents shall pay the \$5,000 CIVIL PENALTY that is not suspended as
21 follows:

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A. \$2,500 is due and payable at the time this Consent Order is returned to the
23 Division.

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B. \$2,500 is due and payable on or before February 28, 2018.

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19. As authorized by ORS 744.074(1)(h), the Director ORDERS that the resident
26 insurance producer licenses of Respondents be subject to the following terms of

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1 probation.

2 A. Respondents shall obey all federal, state, and local laws.

3 B. Respondents shall comply with all insurance statutes, rules, and regulations.

4 C. Respondents shall comply with all licensing requirements of any state.

5 D. Respondents shall return the \$2,500 CIVIL PENALTY assessed above that is
6 not suspended, and this Consent Order, to the Division on or before October 20, 2017.

7 E. Respondents shall return the remaining \$2,500 CIVIL PENALTY assessed
8 above that is not suspended to the Division on or before February 28, 2018.

9 20. The term of this probation will be for three years from the date of this Consent
10 Order.

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12 SO ORDERED this 31st day of October, 2017.

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JEAN M. STRAIGHT, Acting Director
Department of Consumer and Business Services

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16

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

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CONSENT TO ENTRY OF ORDER

I, Michael J. Mosso, state that I have read the foregoing Consent Order and that I know and fully understand the contents hereof; that the factual allegations stated herein are true and correct; that I have been advised of my right to a hearing, and that I have been advised of my right to be represented by counsel in this matter; that I voluntarily consent to the entry of this Consent Order without any force or duress, expressly waiving any right to a hearing in this matter, as well as any rights to administrative or judicial review of this Consent Order; that I understand that the Director reserves the right to take further actions against me to enforce this Consent Order or to take appropriate action upon discovery of other violations of the Insurance Code by me; and that I will fully comply with the terms and conditions stated herein.

I understand that this Consent Order is a public document.

/s/ Michael Mosso

Signature

State of Oregon

County of Multnomah

Signed or attested before me on this 20th day of October, 2017

by Michael J. Mosso.

/s/ Phillip Huynh

Notary Public

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ENTITY CONSENT TO ENTRY OF ORDER

I, Michael J. Mosso, state that I am an officer of Mosso Insurance, LLC and I am authorized to act on its behalf. I have read the foregoing Consent 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. Mosso Insurance, LLC voluntarily and without any force or duress consents to the entry of this Consent Order expressly waiving any right to a hearing in this matter. Mosso Insurance, LLC understands that the Director reserves the right to take further actions to enforce this Consent Order or to take appropriate action upon discovery of other violations of the Oregon Insurance Code. Mosso Insurance, LLC will fully comply with the terms and conditions stated herein.

Mosso Insurance, LLC further assures the Director that neither Mosso Insurance, LLC nor its officers, directors, employees, or agents will transact insurance in Oregon unless such activities are in full compliance with the Oregon Insurance Code. Mosso Insurance, LLC understands that this Consent Order is a public document.

Dated this 20th of October 2017.

/s/ Michael Mosso
Signature
Managing Member
Office Held

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ENTITY ACKNOWLEDGMENT

There appeared before me this 20th day of October,
2017, Michael J. Mosso, who was first duly sworn on oath, and stated that he was and is
an officer of Mosso Insurance, LLC and that he/she is authorized and empowered to sign
this Consent to Entry of Order on behalf of Mosso Insurance, LLC and to bind Mosso
Insurance, LLC to the terms hereof.

/s/ Phillip Huynh
Notary Public for the State of: Oregon
My commission expires: 03/09/2021

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