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

In the Matter of: MARCELLA J. MUHLNICKEL, Licensee.	Case No. INS-16-0352 FINAL ORDER TO CEASE AND DESIST, FINAL ORDER DENYING LICENSE APPLICATION AND REVOKING LICENSE, ENTERED BY DEFAULT

On April 17, 2017, the Director of the Department of Consumer and Business Services ("Director"), by and through the Division of Financial Regulation ("Division"), properly served notice ("Notice") on Marcella J. Muhlnickel ("Licensee") that the Director intended to issue an order denying Licensee's nonresident insurance producer license application and revoking Licensee's nonresident insurance producer license.

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

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.

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FINDINGS OF FACT

The Director FINDS that:

1. Licensee has been a licensed nonresident individual insurance producer since March 21, 2008. Licensee's national producer number is 9503621 and her license expired on September 30, 2016.

2. On July 7, 2016, Licensee submitted an application for renewal of her nonresident insurance producer license. As part of the application process, Licensee completed and submitted to the Division an application form indicating that she had never been named or involved as a party in an administrative proceeding.

3. During review of the application, the Division learned that Licensee was involved in a Texas Department of Insurance administrative proceeding on or around May 09, 2016 which resulted in issuance of an order imposing a monetary penalty against Licensee.

4. On July 11, 2016, the Division sent a letter to Licensee requesting a copy of the Texas administrative order and an explanation surrounding the incident. The Division set a response deadline of July 25, 2016. Licensee did not respond to the Division's request.

5. On April 17, 2017, the Division properly served notice on Licensee that the Director intended to deny Licensee's nonresident insurance producer license application and revoke Licensee's nonresident insurance producer license. Licensee had 60 days to timely request a hearing. The Division did not receive a request for hearing from Licensee.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

6. Under 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

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Insurance Code, the Director may issue an order to discontinue or desist from such violation or threatened violation.

7. Under ORS 744.011(1), the expiration of a license shall not deprive the Director of jurisdiction to proceed with any investigation of, or any action or disciplinary proceedings against, the licensee or to revise or render void an order suspending or revoking the license.

8. Under ORS 744.074(1)(a), the Director may refuse to issue or renew an insurance producer license for providing incorrect, misleading, incomplete or materially untrue information in the license application.

9. Licensee's failure to timely respond to the Division's request for information about her Texas administrative action has resulted in the application being incomplete.

10. Under ORS 744.089(1), an insurance producer must report to the Director any administrative action taken against the insurance producer in another jurisdiction not later than the 30th day after the date of the final disposition of the matter.

11. Under ORS 744.074(1)(b), the Director may revoke or refuse to issue or renew an insurance producer license for violating any insurance law.

12. Licensee violated ORS 744.089(1) by failing to report her Texas administrative action to the Director not later than the 30th day after the date of the final disposition of the matter.

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ORDERS

Now, therefore, the Director issues the following Orders:

13. 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.

14. The Director, pursuant to ORS 744.074(1)(a), hereby DENIES Licensee's Oregon nonresident insurance producer license renewal application for providing

incomplete information in the license application.

15. The Director, pursuant to ORS 744.074(1)(b), hereby DENIES Licensee's Oregon nonresident insurance producer license renewal application for violation of ORS 744.089(1).

16. The Director, pursuant to ORS 744.074(1)(b), hereby REVOKES Licensee's Oregon nonresident insurance producer license for violation of ORS 744.089(1).

SO ORDERED this 29th day of June, 2017.

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

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

NOTICE OF RIGHT TO JUDICIAL APPEAL

You are entitled to judicial review of this order in accordance with ORS 183.482. You 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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