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

In the Matter of:	Case No. INS-17-0119
LESTER G. SHERMAN, JR., Respondent.	FINAL ORDER TO CEASE AND DESIST AND ORDER REVOKING LICENSE, ENTERED BY DEFAULT

On September 29, 2017, the Director of the Department of Consumer and Business Services for the State of Oregon ("the Director"), by and through the Division of Financial Regulation ("the Division"), properly served on Lester G. Sherman, Jr. ("Sherman") an Order to Cease and Desist, Notice of Proposed Order Revoking License, and Right to an Administrative Hearing ("Notice Order"), informing him that the Director intended to revoke his Oregon nonresident producer license ("license").

The Notice Order offered Sherman an opportunity for a hearing, if requested in writing within 21 days. The Notice Order further informed Sherman that if a hearing was not conducted because he did not timely request a hearing or otherwise defaulted, then the designated portion of the Division's file, which includes all materials Sherman submitted, would automatically become part of the contested case record for the purpose of proving a *prima facie* case.

Sherman has not made a written request for a contested hearing, and the time to do so has expired.

After considering the relevant portions of the Division's file in this matter, the Director finds that the record proves a *prima facie* case.

Now, therefore, the Director makes the following Findings of Fact and Conclusions of Law and issues the following Order.

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350 Winter Street NE, Suite 410
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FINDINGS OF FACT

The Director FINDS that:

1. Sherman was licensed in Oregon as a nonresident insurance producer on April 25, 2016. His NAIC National Producer Number is 16309630.

2. On November 21, 2016, Michigan, Sherman's home state, revoked his resident insurance producer license for submitting and receiving commissions on 42 insurance applications that the Special Investigations Unit of Bankers found to be fraudulent.

3. Sherman's nonresident insurance producer licenses in Idaho, Mississippi, and Washington were revoked because his resident insurance producer license was revoked.

4. Sherman's nonresident insurance producer licenses in Louisiana and South Carolina were revoked because his resident insurance producer license was revoked and he violated other provisions of each state's respective insurance laws.

5. Sherman failed to notify the Director of these administrative actions.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

6. Sherman violated ORS 744.089(1) by failing to notify the Director of administrative actions taken against him within 30 days of their final disposition.

7. ORS 744.074(1)(b) authorizes the Director to revoke Sherman's license for violating the insurance laws of Oregon, Idaho, Louisiana, Michigan, Mississippi, South Carolina, and Washington.

8. ORS 744.074(1)(g) authorizes the Director to revoke Sherman's license for having been found to have committed any unfair trade practice or fraud related to insurance.

9. ORS 744.074(1)(i) authorizes the Director to revoke Sherman's license based on the revocation of his resident insurance producer license in Michigan and his

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nonresident insurance producer licenses in Idaho, Louisiana, Mississippi, South Carolina, and Washington.

ORDERS

Now therefore, the Director issues the following Orders:

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

11. Pursuant to 744.074(1)(b), (g), and (i), the Director hereby REVOKES Sherman's license.

SO ORDERED this 26th day of October, 2017.

JEAN STRAIGHT, Acting Director
Department of Consumer and Business Services

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

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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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