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

In the Matter of:	Case No. INS-18-0044
KENNETH HIX, Respondent.	FINAL ORDER TO REVOKE LICENSE, FINAL ORDER TO IMPOSE REMAININ CIVIL PENALTY, ENTERED BY DEFAULT

On June 7, 2018, 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, properly served Notice on KENNETH HIX ("Hix") that the Director intended to revoke the Oregon resident insurance producer license of Hix and make immediately due the unpaid remaining civil penalty from the Consent Order executed on December 20, 2016 for case no. INS-16-0327 ("Consent Order") between the Division of Financial Regulation ("Division") and Hix.

The Notice offered Hix an opportunity for a hearing, if requested within 30 days. The Notice further informed Hix that if a hearing was not conducted because Hix did not timely request a hearing or otherwise defaulted, then the designated portion of the Director's file and all materials submitted by Hix 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 Hix 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.

The Director makes the following Findings of Fact, Conclusions of Law, Orders,

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350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

and Notice of Right to Judicial Appeal.

FINDINGS OF FACT

The Director FINDS that:

1. Hix has been licensed as an Oregon resident insurance producer since August 31, 1990. Hix's national producer number is 49707.

2. In case no. INS-16-0327, Hix entered into a Consent Order with the Division based on the replacement of small amount (Under $15,000) insurance policies ("policies") for consumers.

3. Hix agreed to a civil penalty of $6,900 and a forfeiture of the $16,376.20 in commissions received for replacing the policies, for a total amount of $23,276.20. The Director agreed to suspend the collection of $14,276.20 of the $23,276.20 civil penalty and forfeiture assessed upon the condition that Hix commits no new violations of the Oregon Insurance Code or any administrative rules adopted thereunder, and complies with the terms the Consent Order. The Division agreed to allow Hix to pay the $9,000 owed to the Division by make monthly payments of $250 for 36 months.

4. Hix made twelve monthly payments between December 2016 and November 2017, for a total of $3,000.

5. In December 2017, Hix requested a reprieve from payments for a few months for medical reasons. The Division agreed to allow Hix not to pay for three months and resume the payments in March 2018.

6. Hix has failed to make payments in March, April, May and June of 2018.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

7. Under ORS 744.074(1)(b), the Director may revoke an insurance producer

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license for violating an order of the Director. Hix violated the December 20, 2016 Consent Order by failing to make payments as agreed.

8. Under ORS 744.074(1)(o), the Director may revoke an insurance producer license for failing to pay a civil penalty assessed by the Director that has become final. Hix failed to pay $6,000 of the $9,000 civil penalty and forfeiture as agreed upon in the Consent Order.

9. Under ORS 731.988(1) and (2), in the Consent Order the Director assessed a civil penalty and a forfeiture for a total of $23,276.20 with $14,276.20 suspended, leaving $9,000 to pay. The Division agreed to allow Hix to make payments. Hix made $3,000 in payments toward the $9,000, leaving $6,000 to pay.

ORDERS

Now therefore, the Director issues the following Orders:

10. The Director, pursuant to ORS 744.074(1)(b) and (o), hereby REVOKES Hix's resident insurance producer license.

11. The Director assesses the unpaid CIVIL PENALTY and FORFEITURE of $6,000. It is due and payable to the Department of Consumer and Business Services within 10 days upon receipt of this order.

SO ORDERED this 9th day of July , 2018 in Salem, Oregon.

CAMERON C. SMITH, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, 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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