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

In the Matter of: HEATHERGREY CORP, Respondent.	Case No. INS-18-0116 ORDER TO CEASE AND DESIST, FINAL ORDER TO ISSUE LICENSE, FINAL ORDER ASSESSING CIVIL PENALTY AND CONSENT TO ENTRY OF ORDER THIS IS A FINAL 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 ORS 744.074, has conducted an investigation into the nonresident insurance producer license renewal application of Heathergrey Corp ("Respondent").

Respondent submits to the Director's jurisdiction and agrees to waive its rights to notice and an administrative hearing that arise under ORS 183.415 and wishes to resolve this matter by consenting to entry of this Final Order.

Now, therefore, as evidenced by the authorized signatures subscribed on this document, the Director issues the following Findings of Fact and Conclusions of Law and issues the following Orders.

FINDINGS OF FACT

The Director FINDS that:

1. Respondent is a Texas business entity with its last recorded business address at 42 Read's Way, New Castle, DE 19720 and last recorded mailing address at 1341 W

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350 Winter Street NE, Suite 410
Salem, OR 97301-3881
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Mockingbird Lane, Suite 600W, Dallas, TX 75247. Respondent was an Oregon licensed nonresident business entity insurance producer from August 9, 2016 until its license expired on August 31, 2018. Respondent's NAIC national producer number is 16160616.

2. On October 3, 2018, Respondent applied to the Oregon Division of Financial Regulation (the "Division") for renewal of its nonresident business entity insurance producer license ("License"). At the time of the renewal application, there were no active affiliated individual insurance producers associated with Respondent.

3. On October 4, 2018, the Division sent an email ("October 4th Email") to Respondent requesting that Respondent complete and return to the Division an Affiliation/Responsible Producer Form (the "Form"). The Division set a response deadline of October 14, 2018. Respondent did not respond to the Division's October 4th Email on or before October 14, 2018.

4. On October 23, 2018, the Division sent a second email ("October 23rd Email") to Respondent again requesting that Respondent complete and return the Form to the Division. The Division set a response deadline of November 1, 2018. Respondent did not respond to the Division's October 23rd Email on or before November 1, 2018.

5. On January 3, 2019, the Division contacted Respondent by telephone and asked if Respondent was still interested in renewing its License. Respondent explained that it remained interested in renewing its License, but had not received the Division's October 4th Email or October 23rd Email. Respondent provided an alternate email to the Division.

6. On January 7, 2019, the Division forwarded the October 4th Email and October 23rd Email to Respondent's alternate email and requested a response on or before January 18, 2019. Respondent did not respond on or before January 18, 2019.

7. On January 28, 2019, the Division sent a letter to Respondent via certified

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mail. The letter informed Respondent that Respondent's renewal application was incomplete because the Division had not received the Form.

8. On February 14, 2019, Respondent contacted the Division via email and phone and requested additional time to provide the Form.

9. On February 27, 2019, Respondent provided the Division with the Form.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

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

11. Pursuant to ORS 744.011(1), the expiration of a license or the voluntary surrender of a license by a licensee under this chapter 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.

12. Pursuant to ORS 731.296(1), the Director may address any proper inquiries to any insurer, licensee or its officers in relation to its activities or condition or any other matter connected with its transactions. Any such person so addressed shall promptly and truthfully reply to such inquiries using the form of communication requested by the Director.

13. Respondent violated ORS 731.296(1) on three separate occasions by failing to respond to the Division as described in Paragraphs 3, 4 and 6.

14. Pursuant to ORS 744.074(1)(b), the Director may place a licensee on probation or suspend, revoke or refuse to issue or renew an insurance producer license and may take other actions authorized by the Insurance Code in lieu thereof or in addition

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thereto, for violating any insurance laws, or violating any rule, subpoena or order of the Director or of the insurance commissioner of another state or Mexico or Canada.

ORDERS

Now therefore, the Director issues the following Orders:

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

16. Based upon the foregoing and in accordance with ORS 731.988(1), the Director ORDERS that a nonresident business entity insurance producer license be issued to Respondent, subject to a CIVIL PENALTY of $1,000 for failing to respond to the Division.

17. The CIVIL PENALTY assessed herein is due and payable at the time this Order is returned to the Division.

SO ORDERED this 9th day of May, 2019.

CAMERON SMITH, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

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CONSENT TO ENTRY OF ORDER

I, Richard P. Dale, Jr., state that I am an officer of Heathergrey Corp and I am authorized to act on its behalf. I have read the foregoing 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. Heathergrey Corp voluntarily and without any force or duress consents to the entry of this Order expressly waiving any right to a hearing in this matter. Heathergrey Corp 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. Heathergrey Corp will fully comply with the terms and conditions stated herein.

Heathergrey Corp understands that this Order is a public document.

/s/ Richard P. Dale
Signature

Richard P. Dale, Jr.
Printed name

Owner
Office held

ACKNOWLEDGMENT

There appeared before me this 26th day of April, 2019, Richard P. Dale, Jr., who was first duly sworn on oath, and stated that she/he was and is an officer of Heathergrey Corp and that he is authorized and empowered to sign this Consent to Entry of Order on behalf of Heathergrey Corp and to bind Heathergrey Corp to the terms hereof.

/s/ Rhonda Melton
Signature of Notary Public

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