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

In the Matter of: JEFF MORGAN, Respondent.	Case No. INS-21-0042 FINAL ORDER TO CEASE AND DESIST AND ORDER ASSESSING CIVIL PENALTY, ENTERED BY DEFAULT

On February 3, 2022, 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"), served an Order to Cease and Desist, Proposed Order imposing Civil Penalties, and Notice of Right to an Administrative Hearing ("Notice") on Respondent Jeff Morgan ("Morgan").

The Notice offered Morgan an opportunity for a hearing if requested within 20 days of the Notice. The Notice further informed Morgan that if a hearing were not conducted because Morgan did not timely request a hearing or otherwise defaulted, then the designated portion of the Division's file and all materials submitted by Morgan 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 Morgan 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. Morgan has been licensed by the Director, by and through the Division of Financial Regulation, ("the Division"), as an Insurance Producer since October 28, 2019. Morgan's License expires on October 31, 2023. Morgan's NAIC license number is 17441951.

2. Morgan was subject to a consumer complaint on January 12, 2021. In the complaint, the complainants expressed—among other concerns—that they were unable to get in contact with Morgan.

3. Division staff assisted the complainants in resolving the substance of their complaint. However, in the process of rendering this assistance, Division staff made the following attempts to contact Morgan:

a) By a certified letter on January 14, 2021 to the mailing address for Morgan on file with the Division;

b) By email on March 5, 2021, to the email address for Morgan on file with the Division;

c) By telephone call and voicemail on March 11, 2021, the telephone number for Morgan on file with the Division; and

d) By email again on March 18, 2021, to the email address for Morgan on file with the Division.

4. Morgan did not respond to these attempts by Division staff to make contact. The Division did receive a "read receipt" on the March 18 email, indicating that Morgan read (but did not respond to) that email at 10:37 AM (Pacific Time) on March 18, 2021.

5. On May 12, 2021, Division staff again attempted to reach Morgan at the email address for Morgan on file with the Division. In their email, Division staff requested that Morgan verify his contact information, including his mailing address, email address, and

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phone number, as well as general information about Morgan's employer and the insurance companies Morgan represents. Division staff received a response email from Morgan stating that he would respond to the Division's requests for information "as quickly as possible."

6. On May 28, 2021—134 days after the date of the Division's initial request—Morgan responded to the Division's request for information. Morgan's answers indicated that his home and business addresses had recently changed, and that he had not updated his contact information with the Division. Morgan also stated that he failed to respond to the Division's earlier attempts to make contact because he thought they must have been sent in error.

7. On June 17, 2021, Division staff conducted a spot check of the contact information for Morgan on file with the Division and discovered that Morgan had still not updated his contact information. Division staff again emailed Morgan at the email address on file with the Division, directing Morgan to update his contact information before 5:00 PM on June 25, 2021. The Division received a read receipt indicating that Morgan read this email at 10:59 AM on June 17, 2021.

8. On August 22, 2021, Morgan emailed to the Division a completed form requesting an update to his contact information.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

9. Under ORS 744.068(4)(a), an insurance producer is required to notify the Division within 30 days of "[a] change of address or telephone number of the principal place of business or any location at which the insurance producer transacts business under the license in this state."

10. Morgan violated ORS 744.068(4)(a) by failing to update his business address on file with the Division within 30 days after changing his principal place of business.

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11. Under ORS 731.296, the Division may "address any proper inquiries" to insurance producers about their insurance business activities. Insurance producers are required to respond "promptly and truthfully" to any such inquiries.

12. Pursuant to ORS 731.296, the Division addressed an inquiry to Morgan on January 14, 2021, by certified mail and followed up on that inquiry on March 5, 2021 and March 18, 2021. Morgan did not respond to this inquiry or the follow-up attempts.

13. Morgan violated ORS 731.296 by failing to "promptly and truthfully" respond to the Division's inquiry.

14. Under ORS 731.988(1), the Director may assess a civil penalty of up to $1,000 per violation against any "individual insurance producers, adjusters or insurance consultants" that violate a provision of the Insurance Code or any lawful rule or final order of the Director.

ORDERS

Now therefore, the Director issues the following Orders:

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

16. In accordance with ORS 731.988(1), the Director ORDERS that Morgan be subject to a CIVIL PENALTY of $1,000 (One Thousand Dollars) for violating ORS 731.296 and ORS 744.068(4)(a).

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NOTICE OF RIGHT TO JUDICIAL APPEAL

Judicial review of final orders in contested cases is governed by ORS 183.482. Respondent 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.

SO ORDERED this 15th day of March, 2022.

Andrew R. Stolfi, Director
Department of Consumer and Business Services

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

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