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OFFICE OF  
INSURANCE COMMISSIONER  
HEARINGS UNIT

2012 DEC -6 AM 11:09

Fax: (360) 664-2782

Patricia D. Petersen  
Chief Presiding Officer  
(360) 725-7105

Kelly A. Cairns  
Paralegal  
(360) 725-7002  
KellyC@oic.wa.gov

BEFORE THE STATE OF WASHINGTON  
OFFICE OF INSURANCE COMMISSIONER

In the Matter of	)	Docket No. 12-0259
	)	
<b>ROBERT BREWER,</b>	)	<b>NOTICE OF HEARING</b>
	)	
Licensee.	)	
_____	)	

**TO:** Robert Brewer  
4418 NE St. Johns Road  
Vancouver, WA 98661

Thomas J. Foley, P.C.  
Attorney at Law  
Post Office Box 609  
Vancouver, WA 98666

**COPY TO:** Mike Kreidler, Insurance Commissioner  
Michael G. Watson, Chief Deputy Insurance Commissioner  
John F. Hamje, Deputy Commissioner, Consumer Protection Division  
Robin Aronson, Staff Attorney, Legal Affairs Division  
Carol Sureau, Deputy Commissioner, Legal Affairs Division  
Office of the Insurance Commissioner  
PO Box 40255  
Olympia, WA 98504-0255

On September 24, 2012, the Insurance Commissioner ("OIC") entered an Order Revoking License, No. 12-0259, to Robert Brewer ("Licensee"), revoking his Washington insurance producer's license effective October 12, 2012 based upon allegations set forth therein. Specifically, the OIC alleged that 1) in 2007 the Licensee, on behalf of his client Rockford

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Homes, provided the City of Battle Ground with copies of six Western Surety maintenance and performance bonds which were required by the City for Rockford Homes to construct the Copperleaf and Grace Commons housing developments there. The OIC further alleges 2) that although the Licensee represented that these bonds were all valid, in fact four of the six bonds were never written or issued by Western Surety Company for Rockford Homes; 3) that the Licensee failed to keep adequate records as to which bonds had been submitted to Western Surety Company for issuance and which bonds were sample bonds; 4) that in 2008 the Licensee replaced two of the aforementioned bonds with two bonds issued by American Safety Insurance, one performance bond and one maintenance bond; 5) that while the City had informed the Licensee that the City required the maintenance bonds to be two year bonds, this American Safety maintenance bond was a one year bond; 6) that the Licensee did not notify the City that the American Safety bonds had been secured nor did he provide a copy of the two bonds to the City nor have Rockford Homes sign the bonds as the principal until 2010 when claims needed to be presented by the City after Rockford Homes filed for bankruptcy and maintenance issues were outstanding. Finally, the OIC alleges that the Western Surety maintenance bonds upon which claims were presented by the City were deemed invalid, having never been issued, and American Safety also denied the City's claim when more than one year had passed since the date of final inspection of the project.

In his Demand for Hearing, the Licensee asserts that he disagrees with the allegations of the OIC and therefore wishes to appeal the OIC's allegations. The Licensee further 1) denies that he misrepresented "the terms or benefits of policy"; 2) denies that he failed to keep adequate records of insurance transactions; 3) denies that he failed to submit bonds; 4) denies that he sent the City invalid or fraudulent bonds; 5) denies that he demonstrated use of fraudulent, coercive or dishonest practices; and 6) denies that he "demonstrated incompetence or untrustworthy or financial practices."

On November 6, 2012, the undersigned held a first prehearing conference in this matter, which included all parties. The OIC was represented by Robin Aronson, Esq., Staff Attorney in the OIC's Legal Affairs Division. Mr. Brewer appeared by and through his attorney, Thomas J. Folcy, Esq. of Vancouver, WA. The undersigned reviewed procedure to be expected at hearing and answered all questions and concerns of the parties. Of significance, the undersigned determined that pursuant to RCW 48.04, an automatic stay of the OIC's Order Revoking License is in place pending entry of the final decision after hearing herein. Finally, the parties agreed that this hearing should be held commencing on February 4, 2013 at 10:00 a.m.

Accordingly, **YOU ARE HEREBY NOTIFIED that a hearing will be held commencing on February 4, 2013, at 10:00 a.m., Pacific Standard Time** and continuing on each successive day until terminated. The purpose of this hearing, which will include all parties and the undersigned, is to consider whether the Licensee's activities set forth in the OIC's Order Revoking License constituted violations of the Insurance Code justifying imposition of the penalty of revocation of the Licensee's Washington insurance producer's license or justifying some other form of authorized disciplinary action.

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The OIC will appear by and through Robin Aronson, Esq., Staff Attorney in the OIC's Legal Affairs Division. Ms. Aronson's address is Office of the Insurance Commissioner, Legal Affairs Division, P.O. Box 40255, Olympia, WA 98504-0255 and her telephone number is (360) 725-7181. The Licensee will appear by and through Thomas J. Foley, Esq. Mr. Foley's address is 1419 Broadway, Post Office Box 609, Vancouver, WA 98666, and his telephone number is (360) 696-8990.

Patricia D. Petersen, Esq., Chief Presiding Officer for the Office of the Insurance Commissioner, has been designated to hear and determine this matter. Her address is Office of Insurance Commissioner, P.O. Box 40255, Olympia, Washington 98504-0255. Her telephone number is (360) 725-7105. All interested individuals and entities who have questions or concerns concerning this proceeding should direct them to her Paralegal, Kelly Cairns, at the same address, at [kellyc@oic.wa.gov](mailto:kellyc@oic.wa.gov) or by telephone to (360) 725-7002.

The hearing will be held under the authority granted by the Insurance Commissioner under Chapter 48.04 RCW. The basic facts relied upon are those specifically set forth in the OIC's Order Revoking License and in the Licensee's above-referenced Demand for Hearing.

The hearing will be governed by the Administrative Procedure Act, Chapter 34.05 RCW, and the model rules of procedure contained in Chapter 10-08 WAC. All parties may be represented at the hearing. They may examine witnesses and fully respond and present evidence and argument on all issues involved.

As required by RCW 34.05.434(2)(i), you are advised that a party who fails to attend or participate in any stage of the proceeding may be held in default in accordance with Chapter 34.05 RCW.

Pursuant to WAC 10-08-040(2) and in accordance with ch. 2.42 RCW, if a limited English speaking or hearing impaired or speech impaired party or witness needs an interpreter, a qualified interpreter will be appointed. There will be no cost to the party or witness therefore, except as may be provided by ch. 2.42 RCW. A Request for Interpreter form is attached to the original of this Notice, with instructions thereon.

This Notice is provided pursuant to RCW 48.04.010 and RCW 34.05.434.

Based upon the above activity,

**IT IS HEREBY ORDERED** that the adjudicative proceeding in this matter shall commence on February 4, 2013, at 10:00 a.m., Pacific Standard Time, and shall continue on each successive day until terminated.

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ENTERED AT TUMWATER, WASHINGTON, this <sup>SM</sup> 6<sup>th</sup> day of December, 2012, pursuant to Title 48 RCW and specifically RCW 48.04 and Title 34 RCW and regulations applicable thereto.

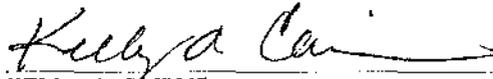


PATRICIA D. PETERSEN  
Chief Presiding Officer

Declaration of Mailing

I declare under penalty of perjury under the laws of the State of Washington that on the date listed below, I mailed or caused delivery through normal office mailing custom, a true copy of this document to the following people at their addresses listed above: Robert Brewer, Thomas J. Foley, Esq., Mike Kreidler, Michael G. Watson, John F. Hamje, Esq., Robin Aronson, Esq., and Carol Sureau, Esq.

DATED this 6<sup>th</sup> day of December, 2012.

  
KELLY A. CAIRNS

**HEARINGS UNIT**  
Fax: (360) 664-2782

Patricia D. Petersen  
Chief Presiding Officer  
(360) 725-7105

Hearings Unit  
Paralegal  
(360) 725-7002  
Hearings@oic.wa.gov

To request an interpreter, complete and mail this form to:

Chief Presiding Officer  
Office of Insurance Commissioner  
P.O. Box 40255  
Olympia, WA 98504-0255

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**REQUEST FOR INTERPRETER**

I am a party or witness in Matter No. 12-0259, before the Insurance Commissioner. I NEED AN INTERPRETER and request that one be furnished.

Please check the statements that apply to you:

I am a non-English-speaking person. I cannot readily speak or understand the English language. My primary language is \_\_\_\_\_ (insert your primary language). I need an interpreter who can translate to and from the primary language and English.

I am unable to readily understand or communicate the spoken English language because:

- I am deaf.
- I have an impairment of hearing.
- I have an impairment of speech.

[Please state below or on the reverse side any details which would assist the Commissioner or Presiding Officer in arranging for a suitable interpreter or in providing appropriate mechanical or electronic amplification, viewing, or communication equipment.]

Date: \_\_\_\_\_

Signed: \_\_\_\_\_

Please print or type your name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_