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STATE OF WASHINGTON
OFFICE OF THE INSURANCE COMMISSIONER

In the Matter of:

DONALD W. MORGAN and MORGAN
INSURANCE, LLC,

Licensees.

No. 15-0171

WAOIC Nos. 49518; 829077

NPN 677602

FEIN 30-0696832

DEMAND FOR HEARING

Donald W. Morgan and Donald Morgan Insurance, LLC ("Licensees"), each demand a hearing under chapter 48.04 RCW regarding the Order Revoking Licenses entered July 2, 2015, revoking Licensees' insurance producer's licenses effective July 20, 2015. Licensees are aggrieved by the order in that it would deprive them of their insurance producer's licenses, which are required to sell, solicit, or negotiate insurance, or otherwise act as an insurance producer in Washington. Licensees contest the order and seek to have it vacated on the basis that they did not commit the acts or violations described in the order. Licensees demand that the hearing be presided over by an administrative law judge assigned under chapter 34.12 RCW.

DATED this 16th day of July, 2015.

CARNEY BADLEY SPELLMAN, P.S.

By 

Jason W. Anderson, WSBA No. 30512
Attorneys for Licensees

DEMAND FOR HEARING - 1

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CARNEY BADLEY SPELLMAN, P.S.
701 Fifth Avenue, Suite 3600
Seattle, WA 98104-7010
(206) 622-8920

CERTIFICATE OF SERVICE

The undersigned certifies under penalty of perjury under the laws of the State of Washington that I am an employee at Carney Badley Spellman, P.S., over the age of 18 years, not a party to nor interested in the above-entitled action, and competent to be a witness herein. On the date stated below, I caused to be served a true and correct copy of the foregoing document on the below-listed attorney(s) of record by the method(s) noted:

Via Facsimile and U.S. Mail, to the following: Hearings Unit

Office of the Insurance Commissioner
5000 Capitol Blvd.
P.O. Box 40255
Olympia, WA 98504-0255
Fax: 360-664-2782

Email and first-class United States mail, postage prepaid, to the following:

Marcia G. Stickler
Insurance Enforcement Specialist
Legal Affairs Division
Office of the Insurance Commissioner
5000 Capitol Blvd.
P.O. Box 40255
Olympia, WA 98504-0255
marcias@oic.wa.gov

DATED this 16th day of July, 2015.



Patti Saiden, Legal Assistant

STATE OF WASHINGTON
OFFICE OF THE INSURANCE COMMISSIONER

In The Matter of

DONALD W. MORGAN and
MORGAN INSURANCE, LLC,

Licensees.

ORDER NO. 15-0171

WAOIC Nos. 49518; 829077

NPN 677602

FEIN 30-0696832

ORDER REVOKING LICENSES

To: Donald W. Morgan
Morgan Insurance, LLC
5705 95th Place SW
Mukilteo, WA 98275

info@morganinsurance.com

IT IS ORDERED AND YOU ARE HEREBY NOTIFIED that your Washington State insurance producer's licenses are **REVOKED**, effective **July 20, 2015**, pursuant to RCW 48.17.530.

BASIS:

1. Donald W. Morgan is a 64-year-old resident producer residing in Mukilteo. He is licensed for life, disability, and property and casualty insurance. A review of the OIC licensing database reveals that he was originally licensed by the OIC in 1987. Morgan Insurance, LLC ("Morgan Insurance") is a resident business entity licensed for property and casualty insurance. It was first licensed in 2013. Donald W. Morgan and Morgan Insurance are collectively referred to as "the Licensees" below.

2. Riverport Insurance Company terminated Morgan Insurance's appointment effective September 17, 2014. Riverport did so because Morgan Insurance had attempted to bind coverage for at least four business accounts that he never quoted to Riverport, and had no

ORDER REVOKING LICENSES
ORDER NO. 15-0171

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1

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PO Box 40255
Olympia, WA 98504-0255

authority to bind. Morgan Insurance sent Certificates of Insurance to those four clients when such coverage did not exist. Further, Morgan Insurance accepted premium from four clients and failed to timely remit such funds to the person entitled thereto. All four clients were running early childhood education/daycare facilities. Licensees also forged the signature of one of the client's on an insurance application.

2. By failing to properly account for and pay the funds received in their fiduciary capacity to the persons entitled to the funds, Licensees violated RCW 48.17.480(2) and (3).

3. RCW 48.17.530(1)(b) allows the Insurance Commissioner to place on probation, suspend, revoke, or refuse to issue or renew an adjuster's license, an insurance producer's license, a title insurance agent's license, or any surplus line broker's license for violating any insurance laws, or violating any rule, subpoena, or order of the Insurance Commissioner or of another state's insurance commissioner; By violating RCW 48.17.480, the Licensees violated RCW 48.17.530(1)(b), justifying the revocation of their licenses.

4. RCW 48.17.530(1)(d) allows the Insurance Commissioner to place on probation, suspend, revoke, or refuse to issue or renew an adjuster's license, an insurance producer's license, a title insurance agent's license, or any surplus line broker's license for improperly withholding, misappropriating, or converting any moneys or properties received in the course of doing insurance business. By failing to properly account for and pay the funds received in their fiduciary capacity to the persons entitled to the funds, Licensees violated RCW 48.17.530(1)(d), justifying the revocation of their licenses.

5. RCW 48.17.530(1)(h) allows the Insurance Commissioner to place on probation, suspend, revoke, or refuse to issue or renew an adjuster's license, an insurance producer's license, a title insurance agent's license, or any surplus line broker's license for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in this state or elsewhere. By issuing false certificates of insurance and misappropriating funds, Licensees violated RCW 48.17.530(1)(h), justifying the revocation of their licenses.

6. RCW 48.17.530(1)(j) allows the Insurance Commissioner to place on probation, suspend, revoke, or refuse to issue or renew an adjuster's license, an insurance producer's license, a title insurance agent's license, or any surplus line broker's license for forging another's name to

an application for insurance or to any document related to an insurance transaction. By forging a signature on an application for insurance, Licensees violated RCW 48.17.530(1)(j), justifying the revocation of their licenses.

IT IS FURTHER ORDERED that you return your insurance producers' license certificates to the Insurance Commissioner on or before the effective date of the revocation of your licenses, as required by RCW 48.17.530(4). Return your licenses to:

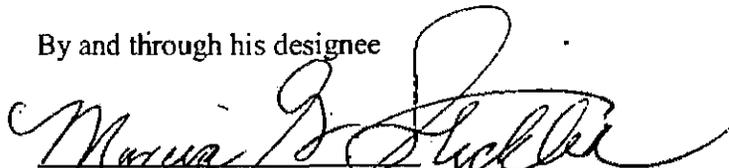
Licensing Manager
Office of the Insurance Commissioner
P. O. Box 40257
Olympia, WA 98504-0257

ENTERED at Tumwater, Washington, this 2^d day of July, 2015.



MIKE KREIDLER
Insurance Commissioner

By and through his designee



MARCIA G. STICKLER
Insurance Enforcement Specialist
Legal Affairs Division

ORDER REVOKING LICENSES
ORDER NO. 15-0171

3

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PO Box 40255
Olympia, WA 98504-0255

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NOTICE OF YOUR RIGHT TO A HEARING

If you are aggrieved by this Order Revoking License, RCW 48.04.010 permits you to demand a hearing. You must demand a hearing in writing within 90 days after the date of this Order Revoking License, which is the day it was mailed to you, or you will waive your right to a hearing.

If the Insurance Commissioner receives your demand for a hearing before the effective date listed on the order revoking your license, the revocation will be automatically stayed (postponed) and your license will remain in effect pending the hearing.

Your demand for a hearing should be sent to the following address and must briefly state how you are harmed by this decision and why you disagree with it:

Hearings Unit
Office of the Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255

You will be notified of the time and place of your hearing. If you have questions about filing a demand for hearing or the hearing process, please telephone the Hearings Unit at (360) 725-7002 or send an email to Hearings@oic.wa.gov.

CERTIFICATE OF MAILING

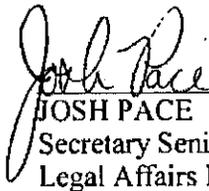
The undersigned certifies under the penalty of perjury under the laws of the state of Washington that I am now and at all times herein mentioned, a citizen of the United States, a resident of the state of Washington, over the age of eighteen years, not a party to or interested in the above-entitled action, and competent to be a witness herein.

On the date given below I caused to be served the foregoing ORDER REVOKING LICENSE on the following by depositing in the US Mail via state Consolidate Mail Service with proper postage affixed to:

Donald W. Morgan
Morgan Insurance, LLC
5705 95th Place SW
Mukilteo, WA 98275

info@morganinsurance.com

Dated this 2nd day of July, 2015, in Tumwater, Washington.



JOSH PACE
Secretary Senior
Legal Affairs Divison

ORDER REVOKING LICENSES
ORDER NO. 15-0171

1223045

5

Office of the Insurance Commissioner
PO Box 40255
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