



Oakbrook Way, Taylors, SC 29687-6620 and residence telephone number is 864-609-9109. Hardesty's last recorded business address is Publisure, Inc.<sup>1</sup>, 303 Oakbrook Way, Taylors, SC 29687-6620, and business telephone number is 864-241-4040.

Failed to Respond to Director's Inquiry

Hardesty is subject to enforcement action pursuant to ORS 731.296 because of the following circumstances. ORS 744.074(1)(b) permits the director to take any authorized enforcement action against a person who has applied for a license or is licensed in Oregon as an insurance producer if the person violated any insurance statute; or any rule, order, or subpoena, of the director or the insurance regulator of another state. ORS 731.296 requires a person who is licensed in Oregon in any capacity under the Insurance Code to promptly and truthfully respond to an inquiry from the director. On 9/4/09, the director received from Madison National Life Insurance Company (MNL) a letter dated 9/1/09 saying in part that "MNL appointed [Special Markets Insurance Consultants, Inc. of Stevens Point, Wisconsin] SMIC as its agent for the purpose of developing and managing a distribution network for marketing of its group accident coverages and other specialty programs for the sports youth, recreational and educational market. SMIC in turn, executed a Producer Agreement with [T]he Young Group [of Raleigh North Carolina], the agency under which Jim Hardesty is a subagent. Under the terms of the Agreement, the Young Group is responsible to SMIC for all premiums received by it or by any employee, agent or representative, including Mr. Hardesty. ... According to our records, Jim Hardesty collected premiums from various insureds in the amount of \$69,244.33 but failed to remit these payments to SMIC." On 11/3/09, the director mailed by certified mail a letter dated 11/2/09 to Hardesty at his last recorded residence and business mailing address of 303 Oakbrook Way, Taylors, SC, 29687-6620. The letter requested Hardesty to provide certain

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<sup>1</sup> Publisure, Inc. has never been licensed in Oregon as a nonresident business entity insurance producer.

information about MNL's letter to the director by 12/4/09. On 11/6/09, Hardesty received the letter. On 12/7/09, when Hardesty did not respond by the due date, the director mailed by certified mail a follow up letter dated 12/7/09 to Hardesty. On 12/11/10, Hardesty received the follow up letter. The director did not receive from Hardesty the information requested in the director's letter dated 11/2/09.

#### Administrative Action by Other State Insurance Regulator

Hardesty is subject to enforcement action pursuant to ORS 744.074(1)(i) because of the following circumstances. ORS 744.074(1)(i) permits the director to take any authorized enforcement action against a person who has applied for a license or is licensed in Oregon as an insurance producer if another state insurance regulator canceled, revoked, suspended, or refused to renew, the person's license in that state as an insurance producer, adjuster or consultant.

On 4/7/10, the insurance regulator for the State of Michigan issued an order, number 10-7541, among other things, revoking Hardesty's Michigan nonresident individual insurance producer license. The insurance regulator took the action because Hardesty violated Michigan Compiled Laws (MCL) §§500.1207(1), 500.1239(1)(d), and 500.1239(1)(h) by failing to remit a total of \$475.50 in insurance premiums that Hardesty collected from Northern Michigan Review on 1/7/09, 2/4/09 and 4/4/09; and MCL §500.249(a) by failing to respond to a letter dated 11/16/09 from the regulator asking about Hardesty failing to remit the premiums.

On 4/15/10, the insurance regulator for the State of South Carolina issued an order, number 09-2111, revoking Hardesty's South Carolina resident individual insurance producer license. The insurance regulator took the action because Hardesty violated South Carolina Code (S.C. Code) §38-43-130 "when he misappropriated approximately \$69,244.33 in premium monies from Madison National Life Insurance Company."

#### **Order**

Pursuant to ORS 744.074(1), Hardesty's Oregon nonresident individual insurance producer license is revoked on the date of this order.

### Notice of Right to Judicial Review

A party has the right to judicial review of this order pursuant to ORS 183.480 and ORS 183.482. A party may request judicial review by sending a petition for judicial review to the Oregon Court of Appeals. The court must receive the petition within 60 days from the date this order was served on the party. If the order was personally delivered to a party, then the date of service is the date the party received the order. If the order was mailed to a party, then the date of service is the date the order was mailed to the party, not the date the party received the order. If a party files a petition, the party is requested to also send a copy of the petition to the Insurance Division by delivering it to the Labor and Industries Building, 350 Winter Street NE Room 300, Salem, Oregon 97301-3880; or mailing it to PO Box 14480, Salem, OR 97309-0405; or faxing it to 503-378-4351; or e-mailing it to [mitchel.d.curzon@state.or.us](mailto:mitchel.d.curzon@state.or.us).

Dated June 14, 2010

/s/ Teresa D. Miller  
Teresa D. Miller  
Administrator  
Insurance Division  
Department of Consumer and Business Services

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