

STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION

In the Matter of **Titus T. Lipping** and) **FINAL ORDER**
ABC Insurance Services.) Case No. INS 98-05-017

The Director of the Department of Consumer and Business Services (Director) issues this final order in the above entitled administrative matter pursuant to Oregon Revised Statutes (ORS) 731.256 and in accordance with ORS 731.248, 183.415(6) and 183.470.

On June 10, 1998, the Director issued and mailed a Notice of Proposed Action (Notice) to Titus Tomas Lipping (Lipping) and ABC Insurance Services (ABC) pursuant to ORS 183.415. The Notice informed Lipping and ABC that the Director proposed to take certain administrative action against Lipping and ABC and that they could request a hearing. The Director did not receive a request for a hearing from either Lipping or ABC.

Therefore, the Director makes the following final decision.

Findings of Fact

At all relevant times, Lipping was licensed as an Oregon resident individual insurance agent.

At all relevant times, ABC was a partnership and licensed as an Oregon resident firm or corporate insurance agent. Lipping was an owner of ABC and a licensed agent authorized to transact insurance on behalf of ABC.

In late December 1996 or early January 1997, Lipping received from various persons insurance premium payments totaling about \$3,000. Lipping deposited such payments into ABC's insurance premium trust account more than 10 calendar days after receiving the premiums.

From May 30, 1997 to July 16, 1997, Lipping received from 14 persons residing in Oregon 15 payments for insurance totaling \$1,110.66 but in each instance did not forward the money to the respective insurer. The date of payment, name of the

insured person, the amount of payment and the name of the insurer relative to each transaction is as follows:

<u>Date</u>	<u>Insured</u>	<u>Amount</u>	<u>Insurer</u>
5/30/97	Joyce Steinhoff	\$156.00	Viking Insurance Company
6/11/97	Richard Hammer	\$ 60.20	Dairyland Insurance Company
6/12/97	Julie A. Dinger	\$ 36.00	Viking Insurance Company
6/12/97	Juanita Topping	\$ 93.06	IGF Insurance Company
6/24/97	Timothy Lee	\$ 67.00	Viking Insurance Company
6/30/97	Gregory West	\$ 54.00	IGF Insurance Company
7/1/97	Colleen Brown	\$ 54.00	IGF Insurance Company
7/1/97	Eugene Mann Jr.	\$177.00	Colonial Insurance Company
7/3/97	Elizabeth Smith	\$ 54.00	IGF Insurance Company
7/8/97	Darcy Johnsgard	\$ 43.00	Colonial Insurance Company
7/9/97	Brison Stocker	\$ 71.00	Colonial Insurance Company
7/10/97	Richard Hammer	\$115.40	Dairyland Insurance Company
7/10/97	Terry Hannevold	\$ 24.00	Colonial Insurance Company
7/10/97	Anita Hatfield	\$ 48.00	Colonial Insurance Company
7/16/97	Daniel Percy	<u>\$ 58.00</u>	IGF Insurance Company
	Total	\$1,110.66	

Ultimate Findings of Fact

Lipping received insurance premiums but failed to deposit them into his insurance premium trust account within seven calendar days after receiving the premiums.

Lipping misappropriated or converted to his own use or illegally withheld money belonging to an insurer which he received from an insured as payment for insurance provided by the insurer.

One or more grounds listed in ORS 744.013(2) for taking administrative action against an individual licensee exist with respect to Lipping as an owner of ABC.

Conclusions of Law

Lipping violated Oregon Administrative Rules (OAR) 836-074-0025 and ORS 744.013(2)(d).

ABC is subject to administrative action pursuant to ORS 744.013(3).

Order

The insurance agent license issued to Lipping is revoked on the date of this order pursuant to ORS 744.013(1)(a).

The insurance agent license issued to ABC is revoked on the date of this order pursuant to ORS 744.013(3).

Lipping shall pay a civil penalty of \$8,000 pursuant to ORS 731.988. Payment shall be made in the form of a check payable to the "Department of Consumer and Business Services" for the full amount due. Payment shall be personally delivered or mailed to the Insurance Division, 350 Winter Street NE, Room 440-2, Salem Oregon, 97310, so that it is *received* within 71 calendar days after the date that this order is personally delivered or mailed to Lipping.

Notice of Judicial Review

Lipping and ABC may request the Oregon Court of Appeals to review this order by filing a written petition for judicial review with the Court within 60 calendar days following the date this order is personally delivered or mailed to Lipping and ABC pursuant to ORS 183.480 and 183.482.

Dated July 16, 1998.

/s/ Michael Greenfield
Michael Greenfield
Director