

STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION

In the matter of **Raymond N. Gillespie** and) **STIPULATION** and
ORE CAL Insurance.) **FINAL ORDER**
) Case No. INS 98-09-010

STIPULATION

The Director of the Oregon Department of Consumer and Business Services (Director) proposes to take administrative action against Raymond N. Gillespie (Gillespie) and ORE CAL Insurance (OIC) for violating, not complying with or otherwise being subject to administrative action pursuant to certain provisions of the Oregon Insurance Code.

Gillespie and OIC enter into this stipulation solely to resolve this matter without further administrative or judicial proceedings.

Gillespie and OIC acknowledge that they have the right to receive a notice of proposed action, notice of rights and notice of judicial review, to have a hearing, and to be represented by an attorney at the hearing. Gillespie and OIC waive all such rights.

Gillespie and OIC admit to and agree with the following:

Facts

Gillespie is licensed as an Oregon resident individual insurance agent.

OIC is licensed as an Oregon resident firm or corporate insurance agent. OIC is a sole proprietorship. Gillespie is the sole owner of OIC and is also authorized to represent OIC as a subagent.

On June 10, 1997, Gillespie received from Rhonda Dunn dba Phoenix Self Storage in Phoenix, Oregon, a check, number 3397, dated June 10, 1997, made payable to OCI in the amount of \$219.50 as partial payment of the premium for insurance, policy number RSS 002724, issued by Republic Western Insurance Company (RWIC). On June 16, 1997, Gillespie deposited the check into his bank account and subsequently used the money to pay business expenses. On

October 2, 1997, RWIC canceled the insurance policy for non-payment of the premium.

On August 16, 1997, Gillespie received from Girish Patel dba Holiday Inn Express in Cottage Grove, Oregon, a check, number 2442, dated August 16, 1997, made payable to OCI in the amount of \$5,092.00 as full payment of the premium for insurance, policy number 400028-00, issued by Claredon National Insurance Company (CNIC). On or about August 20, 1997, Gillespie deposited the check into his bank account and subsequently used the money to pay business expenses. On October 24, 1997, CNIC canceled the insurance policy for non-payment of the premium.

Ultimate Facts

On two occasions, Gillespie misappropriated to his use money he received from an applicant for insurance.

Conclusions

Gillespie violated Oregon Revised Statutes (ORS) 744.013(2)(d) in two instances. OCI is subject to administrative action pursuant to ORS 744.013(3)(a) and (c).

Action

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

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

Gillespie and OIC agree that neither shall ever apply to the Director for any Oregon insurance intermediary license.

Dated October 10, 1998.

/s/ Raymond N. Gillespie
Raymond N. Gillespie

/s/ Raymond N. Gillespie
Raymond N. Gillespie
Owner, ORE CAL Insurance

FINAL ORDER

The Director adopts, and incorporates herein by this reference, the Facts, Ultimate Facts, Conclusions and Action in the above Stipulation as the Findings of Fact, Ultimate Findings of Fact, Conclusions of Law and Order, respectively, of this Final Order.

Dated October 15, 1998.

/s/ Michael Greenfield
Michael Greenfield
Director