

STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION

In the Matter of **Thomason Toyota, Inc.**) **STIPULATION** and
) **FINAL ORDER**
) Case No. INS 99-11-009

STIPULATION

The Director of the Department of Consumer and Business Services (Director) commences the above entitled administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256(1), to take action against Thomason Toyota, Inc. (Thomason Toyota) for violating certain provisions of the Oregon Insurance Code.

Thomason Toyota enters into this stipulation to conclude this proceeding without further administrative or judicial proceedings pursuant to ORS 183.415(5).

Thomason Toyota waives 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, and to judicial review of the final order.

Thomason Toyota admits and agrees to the following:

Facts

Licensing

Thomason Toyota is an Oregon corporation. Thomason Toyota conducts business at 19375 SE McLoughlin Boulevard, Gladstone, OR 97027. Thomason Toyota has been licensed in Oregon as a resident firm or corporate insurance agent since March 31, 1988. Thomason Toyota's Insurance Division identification number is 22267 and its license number is 801495.

Failing to Notify Insurance Division of Status of Licensed Employees

From May 1, 1997 to August 1, 1997, Thomason Toyota failed to notify the Insurance Division within 30 calendar days that Thomason Toyota had authorized 16 licensed employees to transact insurance on behalf of Thomason Toyota.

From May 1, 1997 to August 1, 1997, Thomason Toyota failed to notify the Insurance Division within 30 calendar days that Thomason Toyota had terminated the authority of 11 licensed employees to transact insurance on behalf of Thomason Toyota.

Authorizing Unlicensed Employees to Transact Insurance

From May 1, 1997 to August 1, 1997, Thomason Toyota authorized eight employees to sell credit life and health insurance in 96 transactions while the employees were not licensed as agents in Oregon.

Ultimate Facts

Thomason Toyota failed to timely notify the Insurance Division of the authorization or termination of authorization of employees to transact insurance on behalf of Thomason Toyota.

Thomason Toyota authorized employees to transact insurance in Oregon while the employees were not licensed as agents in Oregon.

Conclusions

Thomason Toyota violated ORS 744.031(1) and 744.054.

Action

Thomason Toyota shall pay a civil penalty of \$30,000 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 so that it is received on or before the date of the Final Order.

Dated December 23, 1999.

/s/ Scott L. Thomason
Scott L. Thomason
President
Thomason Toyota, Inc.

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 December 29, 1999.

/s/ Michael Greenfield
Michael Greenfield
Director
Department of Consumer and Business Services

CERTIFICATE OF SERVICE

I certify that on December 29, 1999 I served the above Stipulation and Final Order by mailing a copy thereof in a sealed envelope, with first class postage prepaid, to the party named therein.

/s/ Mitchel D. Curzon
Mitchel D. Curzon
Administrative Law Specialist
Insurance Division