

**STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION**

In the Matter of **Allison A. Backstrom.**) **STIPULATION** and
) **FINAL ORDER**
) File No. 306486 IV
) Case No. INS 02-02-002

STIPULATION

The Director of the Department of Consumer and Business Services (director), by and through the Insurance Division, commenced the above entitled administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take disciplinary action against Allison A. Backstrom (Backstrom).

Backstrom enters into this Stipulation to conclude this proceeding without further administrative or judicial proceedings, as provided by ORS 183.415(5) and related rules.

Backstrom waives the right to receive a notice of proposed action, to receive a notice of rights and procedures in contested cases, to have a hearing, to be represented by an attorney at the hearing, and to judicial review of the Final Order. Backstrom admits and agrees to the following facts, conclusions, and action.

Facts and Conclusions

Licensing

Backstrom has been licensed in Oregon as a resident insurance agent since 4/11/00. Backstrom's license number is 617163. Backstrom's last recorded residence address is 812 S. Water Street, Silverton, OR 97381-1428, and telephone number is 503-873-6904. Backstrom's last recorded business street address is Judy A. Duncan, Inc., dba Duncan Insurance Agency, 606 Front Street, Silverton, OR 97381, business mailing address is PO Box 622, Silverton, OR 97381-0622, and telephone number is 503-873-5393. However, Backstrom quit working for Duncan Insurance Agency on 9/28/01 but did not notify the Insurance Division of the change.

Misappropriation of Insurance Premiums

Backstrom violated ORS 744.013(2)(d) (1999) in nine instances by engaging in the following conduct. From 1/99 to 9/28/01, Backstrom was employed by Judy A. Duncan, Inc., dba Duncan Insurance Agency in Silverton, Oregon. Duncan Insurance Agency is an Oregon insurance agency for various insurers within the Farmers insurance group of insurance companies (herein collectively called Farmers). In nine transactions from 8/31/01 to 9/28/01, Backstrom, as an employee of Duncan Insurance Agency, received from eight persons residing in Oregon a total of \$1,220.15 as payment of insurance premiums for insurance provided by Farmers. Backstrom gave each payor a receipt but did not retain a copy of the receipt. Also, Backstrom did not enter the payments into the appropriate accounting records, deposit the money into the appropriate bank account, or send the money to Farmers. The date of receipt, receipt number, name of the insured, and amount received by Backstrom, relative to each transaction is as follows:

<u>Date</u>	<u>Receipt No.</u>	<u>Insured</u>	<u>Amount Received</u>	<u>Policy / Prematic Acct. No.</u>
8/31/01	AZ916247	Josh Barnes	\$105.00	JA21386
9/7/01	BA194751	Kyle Yates	\$208.60	K282824
9/14/01	BA194756	Leonel Soto	\$160.00	159130442
9/21/01	BA194764	Martha Reed	\$93.50	F270125
9/21/01	BA194765	Herminio S. Martinez	\$73.57	JO98039
9/21/01	BA194765	Herminio S. Martinez	\$206.43	157594864
9/24/01	BA194759	Robert D. Adams	\$60.00	D164513
9/26/01	BA194760	Santiago Garcia	\$113.05	K282847
9/28/01	BA194763	Daniel Marshall	\$200.00	BM93371
		Total	\$1,220.15	

Criminal Conviction

Backstrom is subject to disciplinary action pursuant to ORS 744.013(2)(e) (1999) because Backstrom was convicted on 1/8/02 by the Circuit Court of the State of Oregon for the County of Marion, in the case *State of Oregon v. Allison Ann Backstrom*, Case Number O1C53242, of two counts of the crime of theft by in the first degree, a class C felony, ORS 164.055. Backstrom committed the above crimes by engaging in the following conduct.

1. On or about 8/26/01, in Marion County, Oregon, Backstrom stole some jewelry, valued at \$750 or more, belonging to Sheila A. Goodwin.
2. Sometime between 8/31/01 to 10/8/01, in Marion County, Oregon, Backstrom stole some U.S. currency, valued at \$750 or more, belonging to Duncan Insurance Agency.

Action

The Oregon insurance agent license issued to Backstrom shall be revoked on the date of the Final Order pursuant to ORS 744.013(1)(a) (1999). Backstrom shall not transact insurance in Oregon, including servicing clients, on and after that date.

In consideration of the director not assessing Backstrom a civil penalty of \$2,000 pursuant to ORS 731.988, Backstrom agrees to the following. Backstrom will not apply for any license in Oregon as an insurance agent, consultant or adjuster. Backstrom will not own, solely or in partnership with others; or to be an officer, director, employee of, or independent contractor for, any business organization licensed in Oregon as an insurance agent, consultant or adjuster.

Dated March 8, 2002

/s/ Allison A. Backstrom
Allison A. Backstrom

FINAL ORDER

The director makes the following final decision in this proceeding in accordance with ORS 731.248 and 183.415(5) and related rules.

The director adopts, and incorporates herein by this reference, the facts, conclusions, and action stated in the above Stipulation as the findings of fact, conclusions of law, and order, respectively, of this order.

Dated March 18, 2002

/s/ Mary C. Neidig
Mary C. Neidig
Director
Department of Consumer and Business Services