

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

In the Matter of **Karen L. Cody.**) **STIPULATION** and
) **FINAL ORDER**
) Case No. INS 03-09-024

STIPULATION

The Director of the Department of Consumer and Business Services (director) commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take enforcement action against Karen L. Cody (Cody).

Cody enters into this Stipulation, pursuant to ORS 183.415(5), to conclude this proceeding without further administrative or judicial proceedings.

Cody waives the right to receive a notice of proposed action, to receive a notice of the rights of a party and procedures in contested cases, to have a hearing, to be represented by an attorney at the hearing, to receive a proposed order, to file exceptions to the proposed order, and to judicial review of the Final Order.

Cody stipulates to the following facts, conclusions, and action; and consents to issuance of a Final Order incorporating this Stipulation.

Facts and Conclusions

Licensing Information

Cody has been licensed in Oregon as a resident insurance agent since 6/29/89. Cody's current license number is 111205. Cody's last recorded residence is located in Boring, Oregon.

Engaged in Dishonest Conduct not Related to the Business of an Agent

Cody violated ORS 744.013(2)(o) (1999) in four instances by engaging in the following conduct. In one instance on or about 8/13/96, and in three instances on or about 6/23/00, Cody completed a total of four applications to withdraw money from the accumulated cash value of four life insurance policies issued by State Farm Life Insurance Company (State Farm) to either Clinton T. Cody (C. Cody), or his wife, Sonya Cody (S. Cody). C. Cody is Cody's son and S. Cody is C. Cody's wife. Cody signed the names of C. Cody or S. Cody on each application without the knowledge or

consent of either of them. Cody sent each application to State Farm; and State Farm issued a check for the amount withdrawn and mailed each check to the named insured at 13085 SE Bobby Bruce Lane, Boring, OR 97009-8542. This address was the residence address of Cody. Cody signed C. Cody's or S. Cody's name on each check without the knowledge or consent of either of them. Cody either cashed or deposited each check, and retained the proceeds thereof. The four checks totaled \$1,222.31. The date of the application, the policy number, the amount withdrawn and of the check, the check date, and check number relative to each instances is as follows:

<u>Application Date</u>	<u>Policy</u>	<u>Amount</u>	<u>Check Date</u>	<u>Check Number</u>
8/13/96	LF-0470-0422	\$111.38	8/13/02	261286324
6/23/00	LF-1513-3792	\$356.74	6/26/00	270460285
6/23/00	LF-0470-0422	\$329.72	6/26/00	270460286
6/23/00	LF-1513-3863	\$424.47	6/26/00	270460287

Action

Pursuant to ORS 744.013(1) (1999), Cody's Oregon insurance agent license is revoked on the date of this order.

In consideration for the director not assessing Cody a civil penalty, pursuant to ORS 731.988, Cody shall hereafter not apply for or be issued any license authorized by ORS Chapter 744; or be employed by or contracted with, or be an officer or director of, or have any equity interest in, any person that is issued any license authorized by ORS Chapter 744.

Dated October 3, 2003

/s/ Karen L. Cody
Karen L. Cody

FINAL ORDER

The director incorporates herein the above Stipulation, adopts it as the director's final decision in this proceeding, and orders that the action stated therein be taken.

Dated October 27, 2003

/s/ Cory Streisinger
Cory Streisinger
Director
Department of Consumer and Business Services