

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

In the Matter of **Richard A. Lorig.**) **STIPULATION** and
) **FINAL ORDER**
) Case No. INS 03-10-015

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 Richard A. Lorig (Lorig).

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

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

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

Facts and Conclusions

Licensing Information

Lorig has been licensed in Oregon as a nonresident insurance agent since 2/14/02. Lorig's current license number is 175403. Lorig's last recorded residence address is located in Cameron Park, California.

Failed to Report Enforcement Action by Other State Insurance Regulator

Lorig violated ORS 744.089(1) in one instance by engaging in the following conduct. ORS 744.089(1) requires a person licensed in Oregon as an insurance agent to notify the Insurance Division of any administrative action taken against the person, and provide a copy of the order, within 30 days of the final disposition of the action. On 9/18/02, the Insurance Commissioner of the State of California issued an order, number SAC 10590-AP, suspending, but then staying such suspension of,

Lorig's California resident insurance agent license; and assessing Lorig a civil penalty of \$5,000. The Insurance Commissioner took the action because Lorig failed to maintain insurance premiums in an insurance premium trust account, failed remit premiums to an insurer, and charging clients broker fees but calling them "policy fees" and "taxes." Lorig was required to notify the Insurance Division of the action, and provide a copy of the order, by 10/8/02. Lorig has not notified the Insurance Division of the action or provided a copy of the order.

Action

Pursuant to ORS 731.988, Lorig is assessed a civil penalty of \$200. The payment shall be made in the form of a check payable to the "Department of Consumer and Business Services" for the full amount due. The payment shall be delivered to the Insurance Division at 350 Winter Street NE, Room 440, Salem, OR 97301-3883, or mailed to the Insurance Division at PO Box 14480, Salem, OR 97309-0405. The payment shall be received by the Insurance Division by the date of the Final Order.

Dated November 19, 2003

/s/ Richard A. Lorig
Richard A. Lorig

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 December 18, 2003

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

//
//
//