

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

In the Matter of **Jayne E. Coughlin.**) **STIPULATION** and
) **FINAL ORDER**
) Case No. INS 03-12-018

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 Jayne E. Coughlin (Coughlin).

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

Coughlin 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.

Coughlin stipulates to the following facts, conclusions, and action; and consents to issuance of a final order incorporating this Stipulation.

Facts and Conclusions

Licensing Information

Coughlin has been licensed in Oregon as a resident insurance agent from 4/19/93 to 4/30/98, from 10/19/98 to 4/30/00, and since 3/8/01. Coughlin's current license number is 603489. Coughlin's last recorded residence address is located in Eugene, Oregon.

Made False Statement on or Relative to an Insurance Application

Coughlin violated ORS 746.100 in 21 instances by making the following three misrepresentations on or relative to each of seven applications for life insurance. From 3/25/02 to 8/22/02, Coughlin solicited, completed, and received from each of seven persons residing in Oregon an application for life insurance to be provided by United of Omaha Life Insurance Company (UOLIC). Both the applicant and

Coughlin signed the application. On the application, Coughlin answered “No” to the question to be answered by the applicant “Have you had or did you intend to have any life or annuity policy replaced, exchanged, converted, reduced, reissued or subject to borrowing because of this application?” Coughlin’s answer to the question was false and she knew or should have known that it was false because Coughlin knew that the applicant had an existing life insurance policy sold by Coughlin and issued by Bankers Life and Casualty Company (BLCC) which the applicant intended to terminate and be replaced by the UOLIC policy, and Coughlin either did not ask the applicant the question so the answer was not the applicant’s, or Coughlin asked the applicant the question but mislead the applicant to believe that “No” was the correct answer. Also on the application, Coughlin answered “No” to the question to be answered by the agent “In addition to the above Agreement, do you, the Producer, have any reason to believe the policy applied for as replaced or will replace any life insurance policy?” Again, Coughlin’s answer to the question was false and she knew or should have known that it was false because for the same reasons given above. Coughlin presented to the applicant a notice regarding the replacement of life insurance or annuities. Both the applicant and Coughlin signed the notice. On the notice, Coughlin marked the statement that indicated that the applicant did not have any life insurance or annuities. This statement was false and Coughlin knew that it was false because of the same reasons given above. Since Coughlin indicated on the application and notice that no policies were to be replaced, Coughlin did not identify on the notice the BLCC policy to be replaced by the UOLIC policy. Subsequently, Coughlin forwarded the applications and notices to UOLIC, and UOLIC, relying upon the applications and notice, issued the policies applied for. The name of the applicant, the BLCC policy number, the date the BLCC policy was terminated, the UOLIC policy number, the date of the UOLIC policy application, and the effective date of the UOLIC policy, in each instance is as follows.

<u>Applicant</u>	<u>BLCC</u>	<u>Cancel</u>	<u>UOLIC</u>	<u>Application</u>	<u>Effective</u>
Deatherage, Janet	7,376,526	8/28/02	UA8424190	3/25/02	3/10/02

Albert, Dorothy	7,375,822	11/1/02	UA8424191	3/25/02	3/25/02
Hall, Cynthia	7,375,724	8/24/02	UA8428801	4/3/02	4/3/02
Hall, Jerold	7,375,754	11/23/02	UA8428802	4/3/02	4/3/02
Lanini, Dennis	7,374,513	7/30/02	UA8433602	4/9/02	4/9/02
Goff, Sharon	7,381,778	12/4/02	UA8469993	7/1/02	9/11/02
Lanini, Bertha	7,371,361	11/30/02	UA8489577	8/22/02	11/12/02

Action

As consideration for the director not taking any enforcement action against Coughlin in this case, Coughlin hereby surrenders her Oregon resident insurance agent license effective on the date of this Stipulation, and shall not apply for any license authorized by ORS Chapter 744.

Dated December 30, 2003

/s/ Jayne E. Coughlin
Jayne E. Coughlin

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 February 3, 2004

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

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