

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

In the Matter of **Gary M. Kroll** and) **STIPULATION** and
G.K. and Associates, Inc.) **FINAL ORDER**
) Case No. INS 03-12-025

STIPULATION

The Director of the Oregon Department of Consumer and Business Services (director) commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take enforcement action against Gary M. Kroll (Kroll) and G.K. and Associates, Inc. (GKA).

Kroll and GKA enter into this stipulation, pursuant to ORS 183.415(5), to conclude this proceeding without further administrative or judicial proceedings.

Kroll and GKA waive 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.

Kroll and GKA stipulate to the following facts, conclusions, and action; and consents to the issuance of a final order incorporating this stipulation.

Facts and Conclusions

Licensing Information

Kroll has been licensed in Oregon as a nonresident insurance agent since 4/29/99. Kroll's current license number is 150166. Kroll's last recorded residence and business addresses are located in Tulsa, Oklahoma.

GKA has been licensed in Oregon as a nonresident insurance agent since 4/30/99. GKA's current license number is 810509. GKA's last recorded business address is located in Tulsa, Oklahoma.

Failed to Report Enforcement Action by Other State Insurance Regulator

Kroll 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 9/2/03, the insurance regulator for the State of Oklahoma issued an order, number 03-0546-DIS, suspending Kroll's resident insurance agent license and assessing Kroll a civil penalty of \$10,000.00. The insurance regulator took the action because (1) Kroll transacted insurance through unlicensed persons, (2) distributed misleading advertisements in the course of transacting insurance, and (3) failed to respond to an inquiry by the regulator. The action was finally disposed of on 9/2/03. Thus, Kroll was required to notify the Insurance Division of the action, and provide a copy of the order, by 10/2/03. Kroll has not notified the Insurance Division of the action or provided a copy of the order.

Agency Failed to Correct and Report Violations by Agent

GKA is subject to enforcement action pursuant to ORS 744.074(3) because Kroll violated the law specified above; such violation was known or should have been known by one or more of the partners, officers or managers acting on behalf of GKA; and such violation was either or both not reported to the director or corrective action was not taken by GKA.

Action

As consideration for and in lieu of the director not taking any enforcement action against Kroll and GKA, Kroll and GKA hereby surrender their Oregon nonresident insurance agent licenses effective on the date of this stipulation, and shall not apply for any license authorized by ORS Chapter 744.

Dated March 19, 2004

/s/ Gary M. Kroll
Gary M. Kroll

/s/ Gary M. Kroll
Gary M. Kroll
President
G.K. and Associates, Inc.

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 April 6, 2004

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

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