

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

In the Matter of **E. Byron Spencer.** ) **STIPULATION** and  
 ) **FINAL ORDER**  
 ) Case No. INS 04-01-003

**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 E. Byron Spencer (Spencer).

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

Spencer 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.

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

**Facts and Conclusions**

Licensing Information

Spencer has been licensed in Oregon as a nonresident insurance agent from 10/10/96 to 10/31/97 and since 1/29/98. Spencer's current license number is 136624. Spencer's last recorded residence address is located in Elmhurst, Illinois. Spencer's last recorded business address is located in Lombard, Illinois.

Failed to Report Enforcement Action by Other State Insurance Regulator

Spencer 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 enforcement action taken against the person, and provide a copy of the order, within 30 days of the final disposition of the action. On 2/25/03, insurance regulator for the State of South Dakota issued a

notice proposing to refuse to issue to Spencer a South Dakota nonresident insurance producer license. On 4/29/03, the insurance regulator issued an order assessing Spencer a civil penalty of \$500.00 in lieu of the refusal and in consideration for Spencer not formally contesting the action. The insurance regulator took the action because the insurance regulator found that Spencer unintentionally failed to disclose on his South Dakota nonresident insurance agent license application that on 7/9/01 the insurance regulator for the State of Illinois assessed Spencer a civil penalty of \$2,000. Spencer was required to notify the Insurance Division of the South Dakota action, and provide a copy of the order, by 5/29/03. On 7/31/03, 63 days late, the Insurance Division received from Spencer a letter dated "July, 2003" notifying the Insurance Division of the action and providing a copy of the order.

#### **Action**

Pursuant to ORS 731.988, Spencer 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 February 15, 2004

/s/ E. Byron Spencer  
E. Byron Spencer

#### **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 March 1, 2004

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