

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

In the Matter of **Edward Prisco.**) **STIPULATION** and
) **FINAL ORDER**
) Case No. INS 04-01-015

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 Edward Prisco (Prisco).

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

Prisco 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.

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

Facts and Conclusions

Licensing Information

Prisco has been licensed in Oregon as a nonresident insurance agent from 3/25/96 to 3/31/01 and from 4/24/02 to 4/30/04. On 4/30/04, Prisco's license expired because he did not renew it. Prisco's license number was 173252. Prisco's last recorded residence and business addresses were located in Farr West, Utah, but currently resides in Hillsboro, Oregon.

Made False Statement on Insurance License Application

Prisco violated ORS 744.074(1)(a) in one instance by engaging in the following conduct. ORS 744.074(1)(a) permits the director to take any authorized action against a person if the person provided to the director incorrect, misleading, incomplete or materially untrue information on an Oregon insurance agent license

application. On or about 4/19/02, the Insurance Division received from Prisco an application dated 4/16/02 for a license in Oregon as a nonresident insurance agent.

On the application, Prisco failed to include the State of Nebraska in his answer to question 9 which asked him to “[l]ist all states (other than Oregon) where you hold or have held an insurance license of any kind.” This answer was false and Prisco knew that it was false because Prisco had been licensed in Nebraska.

Enforcement Action by Other State Insurance Regulator

Prisco is subject to enforcement action pursuant to ORS 744.074(1)(i) in one instance because of the following circumstances. ORS 744.074(1)(i) permits the director to take any authorized enforcement action against a person licensed in Oregon as an insurance agent if another state insurance regulator cancels, revokes, suspends, refuses to renew the person’s license in that state as an insurance agent, adjuster or consultant. On 12/10/02, the insurance regulator for the State of California proposed to refuse to issue to Prisco a California nonresident insurance agent license, which he applied for on or about 5/7/02. The insurance regulator proposed to take such action because (1) on 3/11/97 the insurance regulator for the State of Nebraska issued an order, number A-1290, assessing Prisco a civil penalty of \$500 because Prisco failed to respond to two inquires about a complaint about him, and (2) Prisco answered “No” to the question on his California application that asked, *inter alia*, if he had ever been assessed a civil penalty by another state insurance regulator when in fact Prisco had been assessed the civil penalty by the insurance regulator for the State of Nebraska. On 12/13/02, Prisco signed a Special Notice of Defense in the California proceeding (1) admitting that the allegations were true, (2) agreeing to pay an examination fee of \$289, (3) agreeing to pay a civil penalty of \$100 in lieu of being refused a California license, and (4) agreeing that if he did not pay the assessments that the insurance regulator may revoke his California license without further notice or hearing. On 3/17/03, the insurance regulator for the State of California issued an order, number LBB 0799-AP (AR), assessing Prisco the assessments. Prisco did not pay the assessments. Thus, on 5/27/03, the insurance regulator for the State of California issued an order, number

LBB 0799-BP (AR), revoking Prisco's California nonresident insurance agent license effective 6/27/03. The insurance regulator took the action because Prisco did not pay the assessments.

Failed to Report Enforcement Action by Other State Insurance Regulator

Prisco violated ORS 744.089(1) in two instances 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.

1. On 3/17/03, the insurance regulator for the State of California issued an order, number LBB 0799-AP (AR), assessing Prisco certain monetary assessments as described above. The action was finally disposed of on 3/17/03. Thus, Prisco was required to notify the Insurance Division of the action, and provide a copy of the order, by 4/16/03. Prisco has not notified the Insurance Division of the action or provided a copy of the order.

2. On 5/27/03, the insurance regulator for the State of California issued an order, number LBB 0799-BP (AR) revoking Prisco's California nonresident insurance agent license as described above. The action was finally disposed of on 6/26/03. Thus, Prisco was required to notify the Insurance Division of the action, and provide a copy of the order, by 7/28/03. Prisco has not notified the Insurance Division of the action or provided a copy of the order.

Action

Prisco shall not renew his expired Oregon nonresident insurance agent license and shall not apply for any license authorized by ORS Chapter 744 for five years from the date of the final order, as consideration for the director not taking any enforcement action against Prisco.

Dated May 18, 2004

/s/ Edward Prisco
Edward Prisco

FINAL ORDER

The director incorporates herein the above stipulation, and adopts it as the director's final decision in this proceeding, and orders that no enforcement action shall be taken against Prisco.

Dated May 27, 2004

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

//
//
//