

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

In the Matter of **Daniel J. Young** and) **FINAL ORDER**
Benefit Planning Associates, Inc.) Case No. INS 04-03-032

History of the Proceeding

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 Daniel J. Young (Young) and Benefit Planning Associates, Inc. (BPA).

On 8/2/04, the director issued to the party a notice of proposed action, pursuant to ORS 183.415. The notice informed the party that they were entitled to a hearing.

The director did not receive a request for a hearing and did not hold a hearing because the director determined that the record of the proceeding proved a *prima facie* case and no further evidence was needed.

Therefore, the director now makes the following final decision in this proceeding.

Findings of Fact and Conclusions of Law

Licensing Information

Young has been licensed in Oregon as a nonresident insurance agent from 5/31/91 to 5/31/98, from 7/23/98 to 5/31/00, and from 7/25/00 to 5/31/04. On 5/31/04, Young's license expired because he did not renew it.

BPA has been licensed in Oregon as a nonresident insurance agent from 5/31/91 to 5/31/98, from 11/19/98 to 5/31/00, and from 7/12/00 to 5/31/04. On 5/31/04, BPA's license expired because BPA did not renew it.

Agent Not Licensed in Resident State

Young and BPA are each subject to enforcement action pursuant to ORS 744.063(1)(a) in one instance because of the following circumstances. ORS 744.063(1)(a) requires a person licensed in Oregon as a nonresident insurance agent to also be licensed and in good standing in the person's state of residence as a resident insurance producer. At all relevant times, Young and BPA were residents

of Utah. On 9/23/03, the insurance regulator for the State of Utah issued an order, docket number 2003-169 LC, case number 705, revoking Young's and BPA's Utah resident insurance agent licenses. The insurance regulator took the action because after Young purchased BPA in 1987 he discovered that it's trust account was short in excess of \$700,000, and he "used new premiums paid by existing clients to pay insurers for premiums previously collected but no longer held in the trust account." Young borrowed money and sold personal assets to help cover the shortage. Young reduced the shortage to \$200,000. In June 2003, Young voluntarily reported the shortage to the insurance regulator. Young and BPA admitted to the conduct and agreed to the action. Therefore, Young and BPA have not qualified for an Oregon nonresident insurance agent license since 9/23/03.

Failed to Report Enforcement Action by Other State Insurance Regulator

Young and BPA each 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 by another state insurance regulator, and provide a copy of the order, within 30 days of the final disposition of the action. On 9/23/03, the insurance regulator for the State of Utah issued an order, docket number 2003-169 LC, case number 705, revoking Young's and BPA's Utah resident insurance agent licenses as described above. The action was finally disposed of on 9/23/03. Thus, Young and BPA were required to notify the Insurance Division of the action, and provide a copy of the order, by 10/23/03. Young and BPA have not notified the Insurance Division of the action or provided a copy of the order.

Order

Pursuant to ORS 744.074(1) and 744.011, Young and BPA's Oregon nonresident insurance agents license are revoked on the date of this order.

Notice of Right to Judicial Review

Each party may have the right to appeal the order to the Oregon Court of Appeals pursuant to ORS 183.480 and 183.482. If a party wants to appeal the order, the party must file a petition for judicial review with the Court of Appeals

within 60 days from the date this order was served on the party. If the order was personally delivered to a party, then the date of service is the day the party received the order. If the order was mailed to a party, then the date of service is the day the order was mailed to the party, not the day the party received the order. If a party does not file a petition for judicial review within the 60-day time period, then the party will lose the right to appeal this order. If a party appeals the order, the party should also send a copy of the petition to the Insurance Division.

Dated September 22, 2004

/s/ Joel Ario
Joel Ario
Administrator
Insurance Division
Department of Consumer and Business Services

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