

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

In the Matter of **Larry K. Dunstan and  
Multi-Tech Insurance Services, Inc.**

) **STIPULATION** and  
) **FINAL ORDER**  
) Case No. INS 06-01-014

**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 Larry K. Dunstan (Dunstan) and Multi-Tech Insurance Services, Inc. (MTIS).

Dunstan and MTIS desire to conclude this proceeding without a hearing by entering into this stipulation pursuant to ORS 183.415(5).

Dunstan and MTIS waive all rights relative to an administrative hearing and judicial review thereof.

Dunstan and MTIS stipulate to the following facts, conclusions, action, and to the issuance of a final order incorporating this stipulation.

**Facts and Conclusions**

Licensing Information

Dunstan was licensed in Oregon as a resident individual insurance producer from 2/15/84 to 2/28/06. On 2/28/06, Dunstan's license expired. Dunstan's last recorded residence and business address is located in West Linn, Oregon.

MTIS has been licensed in Oregon as a resident business entity insurance producer since 10/4/84. MTIS's last recorded business address is located in West Linn, Oregon.

Commingled Premium with Other Money in Trust Account

Dunstan is subject to enforcement action pursuant to ORS 744.083(2) because of the following circumstances. ORS 744.083(2) prohibits a person that is licensed in Oregon as an resident insurance producer from commingling or otherwise combining premium with other money in an insurance premium trust account,

unless permitted otherwise. On 5/28/05, Dunstan received from Fidelity National Property and Casualty Insurance Company a check, number 780966, dated 5/26/05, in the amount of \$156.75 as payment of commission. Dunstan deposited the check into MTIS' insurance premium trust account, number 204000038, at The Bank of the West. On 8/24/05, Dunstan issued a check, number 1937, dated 8/24/05, in the amount of \$1,000.00. The check was drawn on MTIS' operating account. On the same date, 8/24/05, Dunstan deposited the check into MTIS' trust account. In both instances, Dunstan commingled premium with other money in MTIS' trust account, when not permitted otherwise.

#### Enforcement Action Against Business Entity for Acts of Individual

MTIS is subject to enforcement action pursuant to ORS 744.074(3) because of the following circumstances. ORS 744.074(3) subjects to enforcement action a business entity that is licensed in Oregon as an insurance producer when the director determines that an individual that is licensed in Oregon as an insurance producer violated a provision of the Insurance Code or related rules, and the partners, officers, or managers of the business entity knew or should have known of the individual's violation but they did not report the violation to the director or they did not take any corrective action or both. Dunstan, as an employee of MTIS, violated the laws specified above. Dunstan, as an officer of MTIS, knew or should have known of such violations because he engaged in them. However, Dunstan, as an officer of MTIS, did not report such violations to the director and did not take any corrective action.

#### **Action**

Pursuant to ORS 744.074(1) and ORS 744.011, Dunstan's expired Oregon resident individual insurance producer license is revoked on the date of the final order.

Pursuant to ORS 744.074(1), MTIS' Oregon resident business entity insurance producer license is revoked on the date of the final order.

As consideration for the director not further investigating or taking other enforcement action against Dunstan, Dunstan agrees to never apply for any license

authorized by ORS Chapter 744; or have any equity interest in, be an officer or director of, or be employed by or contracted with, any person that is issued any license authorized by ORS Chapter 744.

Dated March 19, 2006

/s/ Larry K. Dunstan  
Larry K. Dunstan

Dated March 19, 2006

/s/ Larry K. Dunstan  
Larry K. Dunstan  
President  
Multi-Tech Insurance Services, 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 10, 2006

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

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