

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

In the Matter of **Landra E. Higbee**) **STIPULATION** and
) **FINAL ORDER**
) Case No. INS 10-11-001

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 Landra E. Higbee (Higbee).

Higbee desires to conclude this proceeding without a hearing by entering into this stipulation pursuant to ORS 183.417(3).

Higbee waives all rights relative to an administrative hearing and judicial review thereof.

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

Facts and Conclusions

Licensing Information

Higbee was licensed in Oregon as a resident individual insurance producer from 6/13/95 to 6/30/10. On 6/30/10, Higbee's license expired. Higbee's license number was 132038 and NAIC national producer number was 6258865. Higbee's last recorded *residence* address is 1465 Scofield Street, Central Point, OR 97502-3528; and *residence* telephone number is 541-665-5559. Higbee's last recorded *business* address was Bankers Life and Casualty Company, 860 O'Hare Parkway Suite 102, Medford, OR 97504-4005; and *business* telephone number was 541-773-1552. Higbee's current residence mailing address is PO Box 6443, Ketchikan, AK 99901-1443.

Made Unsuitable Recommendation in Life Insurance or Annuity Transaction

Higbee is subject to enforcement action pursuant to OAR 836-080-0090 because of the following circumstances.

ORS 744.074(1)(b) permits the director to take any authorized enforcement action against a person who has applied for a license or is licensed in Oregon as an insurance producer if the person violated any insurance statute; or any rule, order, or subpoena, of the director or the insurance regulator of another state. OAR 836-080-0090 prohibits a person from recommending that another person purchase or replace a life insurance policy or annuity, or any rider, endorsement or amendment to the policy or annuity, without having reasonable grounds to believe that the transaction is not unsuitable for the other person based upon a reasonable inquiry concerning the other person's insurance objectives, financial situation and needs, age and other relevant information known by the person.

From 1/21/05 to 6/30/08, Higbee recommended to 15 persons residing in Oregon that they purchase 23 annuities to be issued by Bankers Life and Casualty Company (Bankers Life). Higbee did not have reasonable grounds to believe that each annuity was not unsuitable for the person because in each instance (1) the amount to be deposited into the annuity was at least most of the person's liquid assets thus leaving little or nothing to pay for unanticipated expenses, (2) when an existing annuity was to be terminated and funds thereof were to be deposited into the proposed annuity, the person would pay a fee for terminating the existing annuity thus reducing or negating any financial benefit to the person for replacing the existing annuity, (3) when the person would pay a fee for terminating an existing annuity, the person would have limited access to their funds deposited into the proposed annuity for a longer period of time, (4) the person's life expectancy was shorter than the maturity period of the annuity thus making it unlikely that the person would be able to use the funds in the proposed annuity, (5) the person's health was impaired or declining thus reducing the person's life expectancy, or (6) Higbee failed to inquire into all of the person's income, expenses, assets, liabilities, and health conditions thus did not know all of the person's relevant circumstances.

Action

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

As consideration for the director not continuing to investigate or taking additional enforcement action against Higbee, Higbee 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 November 17, 2010 /s/ Landra E. Higbee
Landra E. Higbee

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 November 29, 2010 /s/ Teresa D. Miller
Teresa D. Miller
Administrator
Insurance Division
Department of Consumer and Business Services

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¹ ORS 744.011 permits the director to investigate and take enforcement action against a person who was licensed in Oregon as an insurance producer but is no longer licensed because the license expired or was surrendered.