STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION

In the Matter of **Andrew J. Stone**.	)	**STIPULATION** and
	)	**FINAL ORDER**
	)	Case No. INS 00-09-020
	)	File No. 2351 IV

STIPULATION

The Director of the Department of Consumer and Business Services (Director) commenced the above entitled administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take disciplinary action against Andrew J. Stone (Stone) for violating the Oregon Insurance Code.

On 11/20/00, the Director issued a Notice of Proposed Action (Notice) pursuant to ORS 183.415 proposing to revoke Stone's Oregon insurance agent license pursuant to ORS 744.013(1)(a) and assess him a civil penalty of $5,000 pursuant to ORS 731.988(1) for allegedly violating ORS 744.013(2)(d) in five instances as specifically described therein. The Notice also informed Stone that he had a right to a hearing and to be represented by an attorney at the hearing.

On 12/7/00, the Director received by fax from Stone a letter dated 12/6/00 requesting for a hearing which the Director subsequently forwarded to the Hearing Officer Panel (HOP).

On 12/22/00, HOP scheduled a hearing to be held on 3/6/01.

Now Stone enters into this stipulation, pursuant to ORS 183.415(5) and Oregon Administrative Rules (OAR) 137-003-0510(3)-(4), to conclude this proceeding without further administrative or judicial proceedings.

Stone acknowledges that he received a notice of proposed action and hearing and a notice of rights and procedures in contested cases and requested a hearing which has been scheduled. Stone waives any objections relative to such notices. Stone also waives the right to hold the scheduled hearing and to be represented by an attorney at the hearing, and to judicial review of the final order.

Stone admits and agrees to the following facts, conclusions and action.

Facts

Licensing

Stone was licensed in Oregon as a nonresident individual agent from 4/18/96 to 5/30/00 and as a resident individual agent since 6/16/00. Stone's license number is 617647. Stone's residence address is 474 Harris Lane, Oregon City, OR 97045 and his residence telephone number is 503-655-0555. Stone's insurance business street address is 20210 SW Teton Avenue, Tualatin, OR 97062 and his business telephone number is 503-691-0140.

Conversion of Agent Commission Checks

Stone received from Conseco Life Insurance Company (Conseco Life) five commission checks each made payable to one of three other insurance agents of Conseco Life. Stone was authorized to forward the checks to the agents. Stone was not authorized to negotiate the checks. On 10/19/98 and 11/17/98, relative to each of the five checks, Stone forged the signature of the respective agent, signed his own name and deposited the check into Stone's personal account at Northwest Corporate Credit Union in Beaverton, Oregon. On 6/18/99 and 4/19/00, Stone repaid the agent or reimbursed Conseco Life for repaying the agent. The name of the agent, check number, check date, check amount, date deposited and date repaid are as follows:

Name of Agent	Check No.	Check Date	Amount	Deposited	Repaid
Steven W. Monroe	0001115814	9/4/98	$117.88	10/19/98	4/19/00
David J. Wall	0001122193	9/30/98	$314.98	10/19/98	6/18/99
Sara L. Evans	0001122195	9/30/98	$112.50	10/19/98	6/18/99
Sara L. Evans	0001124611	10/9/98	$122.66	10/19/98	6/18/99
Steven W. Monroe	0001128631	10/23/98	$161.54	11/17/98	4/19/00
		Total	$829.56		

Ultimate Facts and Conclusions

Stone violated ORS 744.013(2)(d) in five instances by converting money that he received from an insurer on behalf of another agent.

Action

The insurance agent license issued to Stone shall be revoked on the date of this order pursuant to ORS 744.013(1)(a).

In consideration of the Director not assessing Stone a civil penalty of $5,000 pursuant to ORS 731.988, Stone agrees not to apply to the Director for any license as an insurance agent, consultant or adjuster to be issued to either himself or to any business organization owned or operated by him. Stone also agrees not to own any equity interest in, or be an officer, director or employee of, any business organization licensed as an insurance agent, consultant or adjuster in Oregon.

Dated February 5, 2001. /s/ Andrew J. Stone
Andrew J. Stone

FINAL ORDER

The Director adopts, and incorporates herein by this reference, the Facts, Ultimate Facts, Conclusions and Action in the above Stipulation as the Findings of Fact, Ultimate Findings of Fact, Conclusions of Law and Order, respectively, of this Final Order.

Dated February 8, 2001. /s/ Mary C. Neidig
Mary C. Neidig
Director
Department of Consumer and Business Services

CERTIFICATE OF SERVICE

I certify that I served the above Stipulation and Final Order by mailing a copy thereof in a sealed envelope, with first class postage prepaid, to the party named therein on the date below.

Dated February 8, 2001. /s/ Mitchel D. Curzon
Mitchel D. Curzon
Administrative Law Specialist
Insurance Division

//

//

//