STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION

In the Matter of **Denise J. Averette**	)	**STIPULATION** and
	)	**FINAL ORDER**
	)	Case No. INS 04-05-021

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 Denise J. Averette (Averette).

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

Averette 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.

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

Facts and Conclusions

Licensing Information

Averette has been licensed in Oregon as a resident insurance agent since 6/17/99. Averette's current license number is 615435. Averette's last recorded residence address is located in Mt Angel, Oregon. Averette's last recorded business address is located in Woodburn, Oregon.

Misappropriated Insurance Premium

Averette violated ORS 744.074(1)(d) in an unknown number of instances by engaging in the following conduct. ORS 744.074(1)(d) prohibits a person licensed in Oregon as an insurance agent from misappropriating, withholding, or converting applications or premium for insurance belonging to an insurer, agent or other

person entitled to the application or premium. At all relevant times, Averette was employed by James D. Ferguson dba J. Ferguson & Associates of Woodburn, Oregon, and as such was responsible for accounting for and depositing money received as payment of premiums for insurance. Sometime in April or May of 2003, Averette collected over two days premiums totaling approximately $22,000 in cash, placed them in her automobile, and intended to deposit the money into her employer's insurance premium trust account at a local bank. However, the money was stolen before Averette could deposit the money. Averette did not disclose to anyone what happened to the money until 12/6/03. In the meantime, Averette used a total of about $4,000 of her own salary to replace some of the missing money. Averette also used an unknown amount of premiums that she collected from other insureds to replace some of the missing money. On 12/6/03, Averette disclosed to her husband what happened who in turn disclosed it to her employer. On or about 12/8/03, Averette borrowed the balance of the missing money, which was $18,077.62, and paid it to her employer.

Action

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

Dated May 26, 2004

/s/ Denise J. Averette
Denise J. Averette

FINAL ORDER

The director incorporates herein and adopts the above stipulation as the director's final decision in this proceeding, and orders that the action stated therein be taken.

Dated June 9, 2004

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