STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION

In the Matter of **Aubrey C. Clanton** and **Aubrey C. Clanton dba Clanton Insurance Agency**	) **STIPULATION** and) **FINAL ORDER**) Case No. INS 05-02-001

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 Aubrey C. Clanton (Clanton) and Aubrey C. Clanton dba Clanton Insurance Agency (Clanton Insurance).

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

The parties waive all rights relative to an administrative hearing and judicial review thereof.

The parties stipulate to the following facts, conclusions, and action, and consents to issuance of a final order incorporating this stipulation.

Facts and Conclusions

Licensing Information

Clanton was licensed in Oregon as an resident individual insurance producer from 5/1/68 to 5/31/03. On 5/31/03, Clanton's license expired because Clanton did not renew it. Clanton's last recorded residence address is located in Portland, Oregon.

Clanton Insurance has been licensed in Oregon as a resident business entity insurance producer since 10/16/92. Clanton Insurance's last recorded business address is located in Portland, Oregon.

Transacted Insurance in Oregon as an Intermediary Without a License

Clanton violated ORS 744.053 in 33 instances by engaging in the following conduct. ORS 744.053 prohibits a person who is not licensed in Oregon as an

insurance producer from selling, soliciting, or negotiating insurance in Oregon. At all relevant times, Clanton was not licensed in Oregon as an insurance producer. From 1/12/04 to 11/30/04, Clanton, on behalf of Clanton Insurance, sold to 32 persons located in Oregon 33 personal and commercial insurance policies issued by various insurers within the SAFECO Insurance Companies group. Clanton received unspecified amount of commissions for selling the above policies.

Enforcement Action Against Agency for Acts of Agent

Clanton Insurance is subject to enforcement action pursuant to ORS 744.074(3) because of the following circumstances. ORS 744.074(3) subjects a business entity to enforcement action when the director determines that an individual licensed in Oregon as an insurance agent violated a provision of the Insurance Code or related rules and the individual's violation was known or should have been known by one or more of the partners, officers, or managers, acting on behalf of the business entity but they did not report the violation to the director or they did not take any corrective action. Clanton violated the laws specified above. Clanton, as the sole owner and manager of Clanton Insurance, knew or should have known of such violations because he committed the violations. Clanton Insurance did not report such violations to the director and did not take any corrective action.

Action

As consideration for the director not taking any enforcement action against Clanton, Clanton shall not apply to renew his expired Oregon resident insurance producer license, and shall never apply for any license authorized by ORS Chapter 744.

As consideration for the director not taking any enforcement action against Clanton Insurance, Clanton Insurance surrenders its Oregon resident insurance producer license effective on March 1, 2005, and shall never apply for any license authorized by ORS Chapter 744.

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Dated February 7, 2005 /s/ Aubrey C. Clanton
Aubrey C. Clanton

Dated February 7, 2005 /s/ Aubrey C. Clanton
Aubrey C. Clanton
Owner
Aubrey C. Clanton dba Clanton Insurance Agency

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 February 28, 2005 /s/ Joel Ario
Joel Ario
Administrator
Insurance Division
Department of Consumer and Business Services

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