STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION

In the Matter of **Dale D. Wolf**	)	**STIPULATION and**
	)	**FINAL ORDER**
	)	Case No. INS 14-04-004

STIPULATION

The Director of the Oregon Department of Consumer and Business Services (director), by and through the Insurance Division, commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take enforcement action against Dale D. Wolf (Wolf).

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

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

Wolf agrees with the facts, conclusions, action stated below, and to the issuance of a final order incorporating this stipulation.

Wolf understands that the stipulation and final order is a public record and shall be posted permanently on the Insurance Division's website.

Facts and Conclusions

Licensing Information

Wolf was licensed in Oregon as a resident individual insurance producer from 4/28/03 to 3/31/14. On 3/31/14, Wolf's license expired. Wolf's NAIC national producer number is 7641704. Wolf's last recorded residence street address is 2838 Church Street, Salem, OR 97302-3115; and telephone number is 503-490-4893. Wolf's current telephone number is 503-999-1691. Wolf's last recorded business address is 4744 Liberty Road S Suite 120, Salem, OR 97302-5182; and telephone number is 503-581-7835; and e-mail address is dwolf1@farmersagent.com. Wolf

closed his insurance business on 4/6/13 and is no longer working in the insurance business.

Misappropriated Money or Property Received in Course of Insurance Business

Wolf is subject to enforcement action pursuant to ORS 744.074(1)(d). ORS 744.074(1)(d) 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 improperly withheld, misappropriated, or converted, any moneys or properties received by the person in the course of doing insurance business.

Sometime between 3/1/12 and 3/15/12, Wolf received from Bank of America a check, number 0000555280, dated 3/1/12, made payable to "Dale Wolf Insurance Agency," in the amount of $1,355.13 as payment of the annual premium for the renewal of an insurance policy, number IMA275165A, issued by General Star Indemnity Company, through Hull & Company, Inc., insuring Terrance Armstrong (Armstrong) of Salem, Oregon. On or about 3/15/12, Wolf endorsed the check and either negotiated it or deposited into an unknown bank account. Wolf applied the money to the insurance provided or to be provided to another person without the knowledge or consent of Armstrong or the insurer. On 5/1/14, at the request of the director, Wolf paid $1,355.13 to Armstrong.

From 1/13/12 to 10/12/12, Wolf received from John Riches (Riches) of Salem, Oregon 66 checks totaling $14,040.28 as payment of premium for insurance provided or to be provided by various insurers owned by or affiliated with Farmers Group, Inc., dba Farmers Underwriters Association, aka Farmers Insurance Group of Companies® (Farmers). Wolf applied $12,334.92 [according to Riches' letter 9/4/13] or $12,433.96 [according to Farmers' letter 11/14/13 after crediting "$99.04 to the account of Michael Riches (D047560531), son of John Riches"] to the insurance provided or to be provided to Riches but applied the remaining $1,705.36 [according to Riches' letter 9/4/13] or $1,606.32 [according to Farmers' letter 11/14/13 after crediting "$99.04 to the account of Michael Riches (D047560531), son of John Riches"] to the insurance provided or to be provided to other persons

without the knowledge or consent of Riches or Farmers. On 11/14/13, Farmers sent a letter to Wolf asking why Wolf did not apply the $1,606.32 to the insurance provided or to be provided to Riches. On 3/12/14, Farmers credited $1,606.32 to the Riches account. On 6/4/14, at the request of the director, Wolf paid $1,606.32 to Farmers.

Failed to Notify Director of Closing Location of Transacting Insurance Business

Wolf is subject to enforcement action pursuant to ORS 744.074(1)(b) for violating ORS 744.068(4)(b). 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 violates any insurance law, or violates any rule, subpoena, or order of the director or of the insurance regulator of another state or Mexico or Canada. ORS 744.068(4)(b) requires a person who is licensed in Oregon as an insurance producer to notify the director that the person opened or closed a location at which the person transacts insurance business not later than the 30th day after the date of the change. On 4/6/13, Wolf closed his insurance business located at 4744 Liberty Road S Suite 120, Salem, OR 97302-5182. Wolf was required to notify the director of the closure by 5/6/13. On 4/7/14, 336 days late, Wolf notified the director of the closure but only after the director began investigating Wolf and requested Wolf to provide the information to the director.

Failed to Respond to Director's Inquiry

Wolf is subject to enforcement action pursuant to ORS 744.074(1)(b) for violating ORS 731.296. 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 violates any insurance law, or violates any rule, subpoena, or order of the director or of the insurance regulator of another state or Mexico or Canada. ORS 731.296 requires a person who is licensed in Oregon in any capacity under the Insurance Code to promptly and truthfully respond to an inquiry from the director.

On 5/24/13, the director received by fax from Armstrong a complaint dated 5/23/13 about Wolf. On or about 6/5/13, the director mailed by first class mail a letter dated 6/5/13 to Wolf at his last recorded business address of 4744 Liberty Road S Suite 120, Salem, OR 97302-5182. The letter requested Wolf to provide to the director by about 7/1/13 certain information about the complaint. The director did not receive from Wolf any response to the letter dated 6/5/13. On 7/10/13, the director mailed by certified mail a letter dated 7/9/13 to Wolf at his last recorded residence address of 2838 Church Street, Salem, OR 97302-3115. The letter informed Wolf that the director had not received from Wolf any response to the letter dated 6/5/13, that failure to respond is a violation of ORS 731.296, and that the director expected Wolf to respond. On 7/12/13, Wolf received the letter dated 7/9/13. The director did not receive from Wolf any response to the letter dated 7/9/13. On 3/18/14, the director mailed by certified mail a letter dated 3/17/14 to Wolf at his last recorded residence address of 2838 Church Street, Salem, OR 97302-3115. The letter summarized Armstrong's complaint against Wolf, asked some questions, and requested Wolf respond by 4/7/14. On 3/17/14, Wolf received the letter dated 3/17/14. On 4/7/14, Wolf sent an e-mail to the director answering the questions, and stated, inter alia, "In the matter of Terry Armstrong I remember cashing the check and I thought that I sent a check to the insurance company. I don't remember getting a cancellation notice from the insurance company so I did not think anything about it or did-not give it a second thought."

On 9/25/13, the director received by fax from Riches a complaint dated 9/23/13 about Wolf. On or about 9/26/13, the director mailed by first class mail a letter dated 9/26/13 to Wolf at his last recorded business address of 4744 Liberty Road S Suite 120, Salem, OR 97302-5182. The letter requested Wolf to provide to the director by about 10/21/13 certain information about the complaint. On or about 10/14/13, the director received the letter dated 9/26/13 undelivered and marked "Return to Sender – Unable to Forward." The director did not receive from Wolf any response to the letter dated 9/26/13. On 10/15/13, the director mailed by certified mail a letter dated 10/14/13 to Wolf at his last recorded residence address of 2838

Church Street, Salem, OR 97302-3115. The letter requested Wolf to provide to the director by about 11/8/13 certain information about the complaint. On 10/16/13, Wolf received the letter dated 10/14/13. The director did not receive from Wolf any response to the letter dated 10/14/13. On 3/18/14, the director mailed by certified mail a letter dated 3/17/14 to Wolf at his last recorded residence address of 2838 Church Street, Salem, OR 97302-3115. The letter summarized Riches' complaint against Wolf, asked some questions, and requested Wolf respond by 4/7/14. On 3/17/14, Wolf received the letter dated 3/17/14. On 4/7/14, Wolf sent an e-mail to the director answering the questions, and stated, inter alia, "In the matter of John and Sonija Riches I noticed in [M]arch [2013] there [sic] account was short around 1600.00 dollars there were some mistakes made and so I corrected the mistakes by depositing 1600.00 dollars into there [sic] account on April 5, 20[13] out of my account into there's [sic] to make it right."

Action

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

As consideration for the director not continuing to investigate or taking additional enforcement action against Wolf, Wolf 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 06/05/14 _____
Dale D. Wolf

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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 JUN 05 2014

Laura N. Cali, FCAS, MAAA
Insurance Commissioner and Chief Actuary

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