STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION

In the Matter of:	)	Case No. INS 14-12-001
	)	
JEFFREY E. MASON,	)	**STIPULATION AND**
	)	**FINAL ORDER**
Respondent.		

The Director of the Oregon Department of Consumer and Business Services ("Director"), and Jeffrey E. Mason ("Mason"), based upon the files and records of the Oregon Insurance Division, including all of the materials and information submitted by Mason, hereby stipulate to the following Findings of Fact and Conclusions of Law.

FINDINGS OF FACT

1. Mason has been licensed in Oregon as a resident individual insurance producer since 9/7/93. Mason's license is scheduled to expire on 12/31/16.
2. Mason's NAIC national producer number is 6227190. Mark R. Marshall (Marshall) operated an insurance agency business in McMinnville, Oregon that employed Mason as an office manager and insurance producer.
3. Marshall was an agent contracted with State Farm Mutual Automobile Insurance Company and its affiliated insurers (State Farm).
4. State Farm provided to its agents various incentives for selling insurance and financial services, including awards of cash and VISA gift cards that could be used like currency to purchase merchandise and services, as well as "points" that could be redeemed for merchandise from specific merchants.
5. The cash and gift cards were physically delivered to Marshall's business and given to Mason, in his role as office manager, to keep until used. The points balance was maintained in a password-protected online account.
6. Mason, as the office manager, was authorized to use the gift cards and points to reward Marshall's employees, including himself, for their performance.
7. On or about December 31, 2007, Mason set up an account in Mason's name.

8. On or about November 28, 2008, Mason transferred 1,000 points from Marshall's account to the account Mason had established.
9. On or about November 28, 2008, Mason used 954 of the 1,000 points to order a ping pong table for Mason's exclusive use, and ordered it shipped to his residence in McMinnville, Oregon.
10. At some point prior to March 15, 2010, Mason requested permission from Marshall for the agency to participate in a community festival called "McMinnville Turkey Rama" sponsored by local business associations. A "vendor" could participate in the festival by paying a fee for having a marketing booth located on a specified street in downtown McMinnville. The amount of the fee was $300.
11. Marshall told Mason that Marshall's insurance agency could participate, but only if the fee was paid from the gift cards described above.
12. Mason, on behalf of Marshall and another State Farm agent also located in McMinnville, agreed to jointly participate and each pay half of the fee.
13. On March 15, 2010, Mason, on behalf of both Marshall and the other agent, applied to participate. On or about May 13, 2010, Mason used his VISA credit card to pay the entire participation fee of $300. The other agent reimbursed Mason $150 for the other agent's share of the participation fee, and on or about June 1, 2010, Mason submitted a reimbursement request to the agency and caused the agency to reimburse him $150. Marshall approved this reimbursement request.

CONCLUSIONS OF LAW

1. It is the Director's position that Mason is subject to enforcement action pursuant to ORS 744.074(1)(h), which 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 used a fraudulent or dishonest practices, or demonstrated untrustworthiness or financial irresponsibility in the conduct of business in Oregon or elsewhere.

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STIPULATION TO ORDER AND PROBATION

Mason stipulates to the foregoing facts and conclusions and agrees that he will abide by the following terms of probation.

Mason acknowledges that this Stipulation and Consent Order is an administrative action that the Director will report to the National Association of Insurance Commissioners (NAIC), and further acknowledges that he may be required to report this administrative action to any states in which he holds an insurance license and must disclose this administrative action on any insurance license application.

Mason agrees that in consideration of the Director's agreement not to revoke Mason's insurance producer license he will comply with following terms of probation:

1. Mason will obey all federal, state, and local laws;
2. Mason will comply with all applicable insurance statutes, rules, and regulations;
3. Mason will remain current on any court-ordered financial obligations at all times while his license is in effect;
4. In addition to any other Continuing Education requirements required for licensure, Mason will complete two hours of Continuing Education in Ethics and submit written proof of completion to the Director within 180 days of the effective date of this Stipulation;
5. Within 30 days of the effective date of this Stipulation, and not less than each six months thereafter, Mason will deliver to the Director a written accounting for each trust account that Mason maintains or over which Mason has signature authority;
6. Mason may not serve as the designated licensed insurance producer for a business entity (DLRP) under ORS 744.059(2)(b) without express written consent of the Director;
7. Within 30 days of his initial court appearance, Mason will report to the Director in writing the name of the crime, case number, and jurisdiction of any criminal charge brought against him; Mason will also report to the Director, within 30 days of the entry of judgment or order of dismissal, the disposition of any criminal charges against him that are dismissed, that result in a judgment of conviction, or that are otherwise resolved during the term of this probation;
8. The term of probation will be two years from the issuance of a License to Mason unless extended by the Director.

Mason further agrees that during the two-year term of probation the Director may, in the Director's discretion, immediately extend the length of probation, modify the terms of probation, or suspend or revoke Mason's License based upon the Director's receipt of information regarding any improper activity by Mason, including, without limitation, any criminal investigation or pending criminal charges against Mason that begin or continue during the probationary period; the commencement or continuation of an investigation by the Oregon Insurance Division or by any comparable organization of another state or territory of the United States related to Mason' insurance activities; any civil claims or official investigations involving allegations of fraud or dishonesty against Mason; or a determination by the Director that Mason failed to comply with any term of probation.

Mason consents to entry of this order, including the stated terms of probation, and hereby waives any and all hearing rights as well as any rights to judicial or administrative review of this order.

Dated 1/11/16 /s/ Jeffrey Mason
Jeffrey E. Mason

State of OREGON
County of Yamhill

Signed or attested before me on January 11, 2016 by Jeffrey E. Mason.

/s/ Judy A. Brewer
Notary Public - State of Oregon

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FINAL ORDER

The Director incorporates the above Findings of Fact, Conclusions of Law, and Stipulation to Order and Terms of Probation, adopts them as the Director's final decision in this proceeding, and orders that the actions stated therein be taken.

Dated 1/21/16

/s/ Laura Cali
Laura Cali
Oregon Insurance Commissioner
for the Director, Department of Consumer
and Business Services