

**STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION**

In the Matter of **Shari D. Stading**.) **STIPULATION** and
) **FINAL ORDER**
) Case No. INS 01-02-011
) File No. 2326 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 Shari D. Stading (Stading) for violating the Oregon Insurance Code.

Stading enters into this Stipulation to conclude this proceeding without further administrative or judicial proceedings pursuant to ORS 183.415(5) and related rules.

Stading acknowledges that she received a notice of proposed action and waives any objections relative to such notice. Stading also waives the right to receive a notice of rights and procedures in contested cases, to have a hearing, to be represented by an attorney at the hearing, and to judicial review of the Final Order. Stading admits and agrees to the following facts, conclusions, and action.

Facts

Licensing

Stading was licensed in Oregon as a resident individual agent from 11/3/95 to 11/30/98 and from 12/16/98 to 11/30/00. On 11/30/00, Stading's license expired because Stading did not renew it. Stading's license number was 608605. Stading's residence address is 500 Opal Lane, Grants Pass OR 97526-8727 and telephone number is 541-471-8086.

Misappropriation of Insurance Premiums

From 3/4/99 to 12/22/99, Stading, while employed as an agent by Jim & Bob Clark's Insurance, Inc. in Grants Pass, Oregon, received from 18 persons residing in

Oregon, in 25 different transactions, a total of at least \$3,437.34, as premium for insurance to be provided by various insurers and without any authority from the insurer or the agency permanently retained the money. The date of receipt, insured, amount paid and insurer relative to each transaction is as follows:

<u>Date</u>	<u>Insured</u>	<u>Amount</u>	<u>Insurer</u>
3/4/99	Carr, Tina	\$35.00	Western Protectors Ins Co
4/14/99	Hogan, Raya	\$104.00	North Pacific Ins Co
5/24/99	Farmer, Michael	\$101.00	Oregon Mutual Ins Co
6/17/99	Hogan, Raya	\$388.00	North Pacific Ins Co
7/7/99	Bedwell, Gary	\$95.00	IGF Ins Co
8/7/99	Lessard, Gary	\$67.00	IGF Ins Co
9/5/99	Bennett, Barry	\$100.00	Oregon Mutual Ins Co
9/20/99	Harrison, Paul	\$54.00	IGF Ins Co
10/7/99	Garcia, Rafael	\$112.50	GuideOne
10/8/99	Dixon, Colin	\$572.00	Continental Ins Co
10/13/99	Hoover, David	\$225.35	IGF Ins Co
10/17/99	Lessard, Paul	\$151.63	Financial Indemnity Co
10/18/99	Friend, Aaron	\$175.00	Progressive Ins Co
10/19/99	Allen, Terry	\$74.00	Western Protectors Ins Co
10/22/99	Hogan, Raya	\$280.00	Oregon Mutual Ins Co
10/25/99	Lessard, Gary	\$67.00	IGF Ins Co
11/5/99	Bennett, Barry	\$51.00	Oregon Mutual Ins Co
11/8/99	Wilson, Craig	\$59.86	Progressive Ins Co
11/8/99	Wilson, Craig	\$43.00	Valley Ins Co
11/22/99	Harrison, Paul	\$64.00	IGF Ins Co
11/24/99	Esken, Vicki	\$185.50	Valley Ins Co
12/3/99	Bennett, Barry	\$52.00	Oregon Mutual Ins Co
12/16/99	Hawks, Tim	\$59.00	IGF Ins Co
12/17/99	Tucker, Tracy	\$237.50	Oregon Mutual Ins Co
12/22/99	Eller, Bridgett	<u>\$84.00</u>	Western Protectors Ins Co
	Total	\$3,437.34	

Failure to Completely Respond to Director's Inquiry

On 7/19/00, the Insurance Division mailed by certified and first class mail a letter dated 7/19/00 to Stading asking certain questions about the above misconduct. On 8/8/00, the Insurance Division received from Stading a letter with handwritten answers to some but not all of the questions. The questions that Stading did not answer had asked for certain information about the 18 persons named above. Instead of answering those questions, Stading merely stated that "I

have no explanation for my actions I was having personal financial problems and I made a terrible choice. I have no copies or proof of the payments I did pay back to the companies I do intend to pay back the Clarks”

Ultimate Facts and Conclusions

Stading violated ORS 744.013(2)(d) by misappropriating to her own use money that she received from an applicant relative to an insurance transaction.

Stading violated ORS 731.296 by not completely responding to an inquiry from the Director.

Action

The Oregon insurance agent license issued to Stading shall be revoked on the date of the Final Order pursuant to ORS 744.013(1)(a). Stading shall not transact insurance in Oregon, including servicing clients, on and after that date.

In consideration of the Director not assessing Stading a civil penalty of \$5,437.34 pursuant to ORS 731.988, Stading agrees not to apply to the Director for any license as an insurance agent, consultant, or adjuster that is to be issued to Stading or to any business organization owned or operated by Stading. Stading 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 March 27, 2001.

/s/ Shari D. Stading
Shari D. Stading

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FINAL ORDER

The Director makes the following final decision in this proceeding in accordance with ORS 731.248 and 183.415(5) and related rules.

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 April 3, 2001.

/s/ Mary C. Neidig
Mary C. Neidig
Director
Department of Consumer and Business Services

CERTIFICATE OF SERVICE

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

Dated April 3, 2001.

/s/ Mitchel D. Curzon
Mitchel D. Curzon
Administrative Law Specialist
Insurance Division

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