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Attorney for the CSI

**BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE,
MONTANA STATE AUDITOR
STATE OF MONTANA**

IN THE MATTER OF:)	CASE NO. INS-2010-45
)	
ELIZABETH STORY, IN HER)	CONSENT AGREEMENT AND
CAPACITY AS INSURANCE)	FINAL ORDER
PRODUCER LICENSE #19919; AND)	
HOMETOWN INSURANCE AGENCY,)	
INC., LICENSE #701461.)	
)	
Respondents.)	

This Consent Agreement and Final Order (Agreement) is entered into by the Office of the Commissioner of Securities and Insurance, Montana State Auditor (CSI), acting pursuant to the authority of the Montana Insurance Code, Mont. Code Ann. § 33-1-101, et seq. (Code), and Elizabeth Story and Hometown Insurance Agency, Inc. (Respondents).

RECITALS

WHEREAS, the CSI alleged that Respondents comingled insurance premium funds placed into several accounts during the period of September 1, 2009, through March 21, 2010;

WHEREAS, the CSI alleged that the amounts deposited were not ascertainable based upon the Respondents' recordkeeping;

WHEREAS, the CSI alleged Respondents violated Mont. Code Ann. § 33-1-1102 by comingling premium payments and failing to keep adequate records;

WHEREAS, the CSI and Respondents agree that the best interests of the public would be served by entering into this Agreement;

NOW, THEREFORE, in consideration of the mutual undertakings contained in this Agreement, the CSI and Respondents hereby agree to settle this matter pursuant to the following terms and conditions:

STIPULATIONS AND CONSENTS

I. Without admitting or denying any of the CSI's allegations, Respondents stipulate and consent to the following:

A. Respondents shall jointly and severally pay a \$5,000 administrative penalty to the State of Montana. Respondents have agreed to make the payments as follows:

- (i). The first payment of \$300 is due and payable on March 10, 2012;
- (ii). There shall be 22 equal payments of \$200 beginning on April 10, 2012 and ending on January 10, 2015;
- (iii). A final payment of \$300 is due on February 10, 2014;
- (iv). All checks shall be made payable to the Montana State Auditor and sent to the CSI, c/o Jameson C. Walker, Attorney, 840 Helena Avenue, Helena, MT 59601.

B. Respondent Story's insurance license, #19919, will be placed on probation for a period of 24 months from the date of execution of this agreement;

C. Respondent Story's insurance license shall be suspended for a period of

one week, effective March 5, 2012, with the suspension ending on March 11, 2012.

D. Respondents shall notify the CSI's licensing bureau within 15 days of any change in employment, home address, or name;

E. During the probationary period, Respondent Story shall complete approved insurance producer continuing education courses and meet the continuing education requirements for insurance producers. Upon execution of this Agreement, Respondent Story shall complete ten continuing education credits on the subject of ethics over the course of two years, six of which shall be obtained in the first year. This is in addition to Respondent Story's statutory duties regarding continuing education. Within two weeks of attending a Continuing Education course, Respondent Story shall submit a copy of the Course Completion Certificate to the CSI;

F. At the discretion of the CSI, Respondents shall be subject to examination by the CSI at their place of business at any time;

G. Respondent Story shall thoroughly read, remain familiar with, and obey all laws and rules pertaining to the conduct of insurance producers in Montana.

H. Within a year upon execution of this Agreement, Respondent Story shall engage a consultant to review recordkeeping and premium handling procedures. Respondent shall submit a written report of the consultant's findings to the CSI.

I. Respondents fully and forever release and discharge the Commissioner of Securities and Insurance, Montana State Auditor (Commissioner), the CSI, and all of the CSI's employees and agents from any and all actions, claims, causes of action, demands, or expenses for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of this Agreement.

J. Respondents specifically and affirmatively waive a contested case hearing and all rights to appeal under the Montana Administrative Procedure Act, Mont. Code Ann. § 2-4-101, et seq., and elect to resolve this matter on the terms and conditions set forth herein.

II. All parties to this Agreement stipulate and consent as follows:

A. The Commissioner and the CSI have jurisdiction over the subject matter of the above-entitled matter.

B. The CSI hereby agrees that it will not initiate any civil or administrative action against Respondents regarding the allegations contained in this action for so long as the Respondent adheres to the terms of the Agreement.

C. This Agreement is entered without adjudication of any issue, law, or fact. This Agreement covers the factual allegations addressed above. It is entered into solely for the purpose of resolving the CSI's allegations and is not intended to be used for any other purpose. For any person or entity not a party to this Agreement, this Agreement does not limit or create any private rights or remedies against Respondents, limit or create liability of Respondents, or limit or create defenses of Respondents to any claims.

D. The applicable statute of limitation, Mont. Code Ann. § 33-1-707, is tolled for two years from the date of execution of this Agreement with regard to the allegations set forth above. In the event Respondents violate the terms of this Agreement at any time during the two-year tolling period, the CSI reserves the right to seek additional administrative penalties and/or to seek further regulatory action.

E. This Agreement constitutes the entire agreement between the parties and no other promises or agreements, either express or implied, have been made by the CSI

or by any member, officer, agent, or representative of the CSI to induce Respondents to enter into this Agreement.

F. This Agreement may not be modified orally, and any subsequent modifications to this Agreement must be mutually agreed upon in writing to be effective.

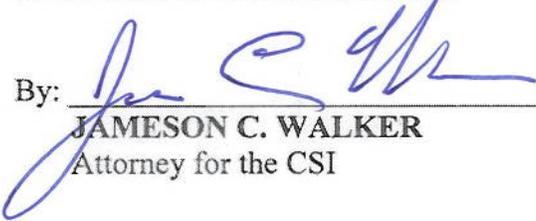
G. This Agreement shall be incorporated into and made a part of the attached Final Order issued by the Commissioner herein.

H. This Agreement shall be effective upon signing of the Final Order.

I. The Agreement is a public record under Montana law and, as such, may not be sealed or otherwise withheld from the public.

DATED this 17th day of February, 2012

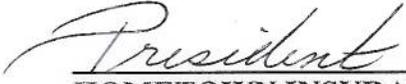
OFFICE OF THE COMMISSIONER OF
SECURITIES AND INSURANCE,
MONTANA STATE AUDITOR

By: 

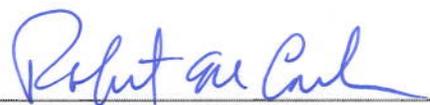
JAMESON C. WALKER
Attorney for the CSI

DATED this 9th day of February, 2012


ELIZABETH STORY


HOMETOWN INSURANCE AGENCY,
INC.

Content approved by Attorney for Respondents:


ROBERT M. CARLSON

FINAL ORDER

Pursuant to the authority vested by Mont. Code Ann. § 2-4-603 and § 33-1-101, et seq., and upon review of the foregoing Consent Agreement, and good cause appearing,

IT IS HEREBY ORDERED that the foregoing Consent Agreement between the CSI and Respondents Elizabeth Story and Hometown Insurance Agency, Inc., is adopted as if set forth fully herein.

DATED this 17TH day of February, 2012.

MONICA J. LINDEEN
Commissioner of Securities and Insurance,
Montana State Auditor

By: 
ROBERT W. MOON
Deputy Insurance Commissioner

cc: Jameson C. Walker
Robert M. Carlson