MIKE WINSOR
Office of the Commissioner of Securities
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Helena, MT 59601
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Attorney for the CSI

BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE
MONTANA STATE AUDITOR

IN THE MATTER OF PATRICK WAYNE BAILEY, Respondent.	Case No.: INS-2014-34 **CONSENT AGREEMENT AND FINAL ORDER**

This Consent Agreement (Agreement) and Final Order (Order) 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 Patrick Wayne Bailey (Respondent).

RECITALS

WHEREAS, an investigation by the CSI alleged as follows:

1. That on or about July 27, 2012, Respondent's GEICO automobile insurance policy (Policy) terminated for failure to pay premium;

2. On or about November 25, 2012, Respondent crashed his 2001 Dodge Durango on Interstate 90;

3. On November 26, 2012, the Defendant reinstated his Policy with GEICO, and subsequently, on November 27, 2012, the Defendant made a claim with GEICO misrepresenting that the crash had occurred on November 26, 2012, and provided a

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citation from the Highway Patrol he had altered to indicate that the crash had occurred on November 26, 2012;

WHEREAS, the Respondent's misrepresentation to GEICO caused economic damages to GEICO in the amount of $1,075;

WHEREAS, pursuant to Mont. Code Ann. § 33-1-1202, a person commits the act of insurance fraud when the person for the purpose of obtaining money or other benefit, presents to any insurer any written or oral statement containing false, incomplete, or misleading information concerning any fact or thing material to, as part of, or in support of a claim for money or other benefit pursuant to an insurance policy; and

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

NOW, THEREFORE, in consideration of the mutual undertakings contained in this Agreement, the CSI and the Respondent hereby agree to settle this matter pursuant to the following stipulations and consents:

STIPULATIONS AND CONSENTS

Without admitting or denying any of the CSI's allegations, the Respondent stipulates and consents to the following:

1. Respondent agrees to make full restitution to GEICO in the amount of $1,075.

    a. Payment must be made in 11 monthly installments of $89.58 and one final monthly installment of $89.62.

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b. The first monthly payment shall be due on June 10, 2014, and each successive monthly payment shall be due on the 10th day of each month thereafter until paid in full.

c. Payment must be made by check or money order and sent to:

Geico General Insurance Company
SIU Department
930 N. Finance Center Drive
Tuscan, AZ 85710

d. Respondent must write his claim number, 01107626401010, on each check or money order.

e. Payment shall be due on or before the 15th of each month.

f. Respondent shall mail copies of the restitution payment checks to the CSI at the address below.

2. Respondent shall agree to pay a fine to the CSI in the amount of $100. The fine shall be due on June 10, 2014, shall be made payable to the Montana State Auditor's Office, and must be sent to the following address:

Office of the Commissioner of Securities and Insurance
Montana State Auditor
c/o Mike Winsor
840 Helena Avenue
Helena, MT 59601

4. The Respondent has been advised of his option to consult independent legal counsel and has either exercised or declined that option in determining to enter into this agreement voluntarily, willingly, and without reservation.

5. Respondent fully and forever releases and discharges the Commissioner of Securities and Insurance (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

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damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of this Agreement.

6. This Agreement is entered without adjudication of any issue, law, or fact. It is entered into solely for the purpose of resolving the CSI's investigation and 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 the Respondent including limit or create liability of Respondent, or limit or create defenses of Respondent, to any claims.

7. This Agreement may, in no way, be construed as an admission of the allegations set forth above, or an admission of criminal liability.

8. Upon execution of this Agreement, the Respondent acknowledges and waives his right to appeal the Commissioner's Order.

9. 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 Respondent to enter into this Agreement.

10. This Agreement may not be modified orally and any subsequent modifications to this Agreement must be mutually agreed upon in writing with the same formality as this Agreement to be effective.

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

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12. Upon execution of this Agreement, the CSI will not commence an administrative action against the Respondent based upon the activities giving rise to the CSI's investigation that occurred prior to the execution of this Agreement.

13. This Consent Agreement shall be effective upon signing of the Order.

14. Respondent further understands that, upon the signing of the Final Order by the Commissioner or her representative, this Agreement will be an order of the Commissioner and failure to comply with the same may constitute separate violations of the Montana Insurance Code, pursuant to Mont. Code Ann. § 33-1-318 and/or other applicable statutes or rules, and may result in subsequent legal action by the CSI.

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

DATED this 17 day of June, 2014.

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

By: _____
MIKE WINSOR
Attorney for the CSI

DATED this 17th day of June, 2014.

_____
PATRICK WAYNE BAILEY

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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 the Respondents is adopted as if set forth fully herein.

DATED this 17th day of June, 2014.

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

By: _____
GREG DAHL
Deputy Commissioner of Insurance

cc: Mike Winsor, CSI
Respondent

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