BEFORE THE STATE AUDITOR AND COMMISSIONER OF INSURANCE
STATE OF MONTANA


Case No. 2002-40

CONSENT AGREEMENT AND FINAL ORDER

The State Auditor and Commissioner of Insurance of the state of Montana (Commissioner), pursuant to the authority of the Montana Insurance Code, Mont. Code Ann. § 33-1-101, et seq., hereby makes the following allegations which justify and support disciplinary treatment:

FACT ASSERTIONS

1. Ronald D. Dague (Dague) was a Montana licensed insurance producer, license # 13253, in the following areas: life / disability / credit life and disability / prepaid legal. This license was issued by the Insurance Department of the State Auditor’s Office.

2. Dague failed to complete and report the required number of continuing education courses in the year 1999 and 2000. Dague has also failed to report the required continuing education courses for year 2001.

3. On or about July 29, 2001, the Insurance Department sent a letter to Dague at 740 Topaz Avenue, Billings, MT 59105, advising that his insurance producer license was suspended for failure to comply with the annual continuing education requirements. The letter further advised Dague that if he failed to comply the continuing education requirements within one year, his license would be terminated effective July 31, 2002.

4. Dague did not submit the delinquent continuing education reports to the Insurance Department.
5. On or about August 9, 2002, the Insurance Department sent a letter to Dague at 940 Topaz Avenue, Billings, MT 59105, advising that his insurance producer license was terminated effective July 31, 2002 for failure to comply with the annual continuing education requirements.

6. Subsequently, on August 19, 2002, the Insurance Department received a letter from Dague stating that he (recently) completed continuing education courses which were being graded and requesting additional time to complete and/or file the continuing education.

CONCLUSIONS OF LAW


2. The Montana Insurance Department (Department) is under the control and supervision of the Commissioner pursuant to Mont. Code Ann. §§ 2-15-1902 and 33-1-301.

3. The Commissioner shall administer the Insurance Department to protect insurance consumers pursuant to Mont. Code Ann. § 33-1-311.

4. Pursuant to Mont. Code Ann. § 33-17-201, an insurance producer license from the Montana Insurance Department must be obtained prior to holding oneself out to be an insurance producer or acting as an insurance producer for subjects of insurance located, residing, or to be performed in Montana.

5. Pursuant to Mont. Code Ann. § 33-1-102, a person may not transact a business of insurance in Montana or a business relative to a subject resident, located, or to be performed in Montana without complying with the applicable provisions of this code.

6. Pursuant to Mont. Code Ann. §§ 33-17-214(3) and 33-17-1101(1), each insurance producer license states the name and street address of the place of business for that licensed insurance producer.

7. Pursuant to Mont. Code Ann. §§ 33-17-1101(2), an insurance producer must conspicuously display his license in the place of business at the street address shown on the license in a part of the place of business customarily open to the public.
8. Pursuant to Mont. Code Ann. § 33-17-214(6), an insurance producer must inform the Commissioner in writing of a change of address within 30 days of the change.

9. Pursuant to Mont. Code Ann. § 33-17-1205(2), the Commissioner may suspend the license of an insurance producer for failing to comply with the annual continuing education completion and filing requirements. Additionally, pursuant to Mont. Code Ann. § 33-17-1205(2), the Commissioner must terminate the license of an insurance producer whose license is suspended for more than 12 months for failing to comply with the annual continuing education completion and filing requirements.

10. Dague is in violation of Mont. Code Ann. § 33-17-1203(1) by failing to complete annually the required 10 hours of approved continuing education.

11. Additionally and alternatively, Dague is in violation of Mont. Code Ann. § 33-17-1205(1) by failing to file annually with the Insurance Department his written certification of completion of approved continuing education.

12. Additionally and alternatively, Dague is in violation of Mont. Code Ann. § 33-17-1003 by failing to immediately return his insurance producer license to the Commissioner upon its expiration and/or termination.

13. Additionally and alternatively, Dague is in violation of Mont. Code Ann. § 33-17-1001(1)(c) by failing to comply with the provisions of the Montana Code Annotated.

14. Pursuant to Mont. Code Ann. § 33-1-1001(1), the Commissioner may suspend, revoke, refuse to renew, refuse to issue a license or may levy a civil penalty in accordance with Mont. Code Ann. § 33-1-317 or choose any combination of actions when an insurance producer is found to be in violation of Mont. Code Ann. § 33-17-1001(1).

**AGREEMENT**

Ronald D. Dague hereby stipulates and agrees to the following:

1. Dague will comply with the Montana Insurance Code, Mont. Code Ann. § 33-1-101 et seq., and all rules and orders promulgated thereunder;

2. By October 31, 2002, Dague will successfully complete the delinquent hours of
approved continuing education for year 1999, 2000 and 2001 and will file the certificates of
completion with the Department and pay all applicable filing fees (including late fees);

3. If Dague will, by October 31, 2002, file an application for licensure as an
insurance producer, meet all licensure requirements, and pay all associated fees, the
Department will issue a new insurance producer license to Dague for the following lines: life /
disability / credit life and disability;

4. That Dague specifically and affirmatively waives a contested case hearing on the
Fact Assertions and Conclusions of Law contained herein and all rights to appeal under the
Montana Administrative Procedure Act and effects to resolve this matter on the terms and
conditions set forth in this Consent Agreement;

5. That Dague has read and understands each term of this Consent Agreement and
Final Order and acknowledges that he enters into the same voluntarily and without reservation;

6. Dague understands that this Consent Agreement constitutes the entire agreement
between the parties, there being no other agreements, either express or implied;

7. Dague agrees that compliance with this Consent Agreement and Final Order
shall be a final compromise and settlement of the Department's allegations contained herein.
Dague further understands that, upon the signing of the Final Order by the Commissioner or
his representative, this Consent Agreement and Final Order 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. § 33-17-1001 and/or other applicable
statutes or rules, and may result in subsequent legal action by the Department;

8. Dague fully and forever releases and discharges the Commissioner, Department,
and all Department employees 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 the factual allegations or conclusions in the aforementioned
Notice, First Amended Notice, and/or this Consent Agreement.

9. Dague agrees that this Consent Agreement shall be incorporated and made a part
of the attached Final Order issued by the Commissioner herein;

10. Dague understands that this Consent Agreement is not effective until such time as the following Final Order is signed; and

11. That Dague understands that this Consent Agreement and Final Order are public records under Montana law and as such may not sealed or otherwise withheld from the public.

DATED this 9th day of September, 2002.

Ronald D. Dague

SUBSCRIBED AND SWORN TO before me this 4th day of September, 2002.

(SEAL)

Larry Fritz
Notary Public for the State of Montana
Residing at Billings, Montana
My commission expires: January 10, 2002

Accepted on Behalf of the Insurance Department:

DATED this 12th day of September, 2002.

Jennifer Massman, Staff Attorney
Insurance Department
FINAL ORDER

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

IT IS ORDERED that the foregoing Consent Agreement between Ronald D. Dague and the Insurance Department is hereby adopted as if set forth fully herein.

DATED this 12 day of September, 2002.

JOHN MORRISON
State Auditor and Commissioner of Insurance

[Signature]
CERTIFICATE OF SERVICE

I hereby certify that on the 12 day of September, 2002, I served a true and accurate copy of the foregoing Consent Agreement and Final Order upon the Respondent, by mail, postage prepaid, at the following address:

Ronald D. Dague
740 Topaz Avenue
Billings, MT 59105

[Signature]

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