

LAWRENCE G. WASDEN
Attorney General

A. RENÉ MARTIN – I.S.B. #3188
Deputy Attorney General
Idaho Department of Insurance
700 W. State Street
P.O. Box 83720
Boise, Idaho 83720-0043
Telephone: (208) 334-4204
Facsimile: (208) 334-4298

FILED 

MAR 27 2012

Department of Insurance
State of Idaho

Attorneys for Department of Insurance

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

In the Matter of:

ROY A. GRAY,

Non-Resident Producer License No. 374791

Docket No. 18-2752-12

**SUMMARY ORDER REVOKING
IDAHO NON-RESIDENT INSURANCE
PRODUCER LICENSE**

The Director of the Idaho Department of Insurance (Director) has received notice of the issuance of an order by the Indiana Commissioner of Insurance, which order permanently revoked the Indiana resident insurance producer license issued to ROY A. GRAY, effective January 30, 2012. Upon review of such order and the “Agreed Entry,” an agreement entered into on January 27, 2012, between ROY A. GRAY and the Indiana Department of Insurance, underlying such Commissioner’s order, and, pursuant to the authority granted by Idaho Code § 41-1016(2), the Director does hereby make the following findings and enter a Summary Order as follows:

FINDINGS OF FACT

1. ROY A. GRAY (GRAY), at all times relevant hereto, was licensed as a resident insurance producer in the state of Indiana.

2. On January 27, 2012, the Indiana Department of Insurance and GRAY entered into an "Agreed Entry" in Cause No. 10743-AG12-0109-003, whereby such Department and GRAY agreed: (a) that GRAY had improperly withheld and misappropriated monies received in the course of doing insurance business; (b) that GRAY had used dishonest practices and demonstrated untrustworthiness in the conduct of business in Indiana; and (c) that GRAY's Indiana resident insurance producer license would be permanently revoked. A copy of such "Agreed Entry" is attached hereto as "Exhibit A."

3. On January 30, 2012, the Indiana Commissioner of Insurance entered a "Final Order and Approval" in Cause No. 10743-AG12-0109-003, permanently revoking GRAY's Indiana resident insurance producer license. A copy of such "Final Order and Approval" is attached hereto as "Exhibit B."

4. GRAY has been continuously licensed as an Idaho non-resident insurance producer, holding license number 374791 since the date of the initial issuance of such license on April 5, 2011.

CONCLUSIONS OF LAW

5. Idaho Code § 41-1016(2) provides that the Director shall, without hearing, suspend for not more than twelve (12) months, or shall revoke or refuse to continue any insurance producer license issued under title 41, chapter 10, Idaho Code, where the Director has received a final order of suspension, revocation or refusal to continue from the insurance regulatory official or court of jurisdiction of the licensee's home state. Based on the foregoing, the Director finds that such circumstances justify the revocation of GRAY's Idaho non-resident insurance producer license pursuant to Idaho Code § 41-1016(2).

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED that Idaho Non-Resident Insurance Producer License No. 374791, issued to ROY A. GRAY, is hereby REVOKED, effective immediately.

IT IS FURTHER ORDERED that GRAY shall immediately return Idaho Non-Resident Insurance Producer License No. 374791 to the Idaho Department of Insurance at the following address: 700 West State Street, P.O. Box 83720, Boise, Idaho, 83720-0043.

NOTIFICATION OF RIGHTS

This is a final order of the Director. Any party may file a motion for reconsideration of this final order within fourteen (14) days of the service date of this order. The agency will dispose of the petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. *See Idaho Code § 67-5246(4).*

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order may appeal this order by filing a petition in the district court of the county in which:


- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or operates its principal place of business in Idaho, or
- iv. The real property or personal property that was the subject of the agency action is located.

An appeal must be filed within twenty-eight (28) days of (a) the service date of this final order, (b) an order denying petition for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. *See Idaho Code*

§ 67-5273. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

DATED this 27th day of March, 2012.

STATE OF IDAHO
DEPARTMENT OF INSURANCE



WILLIAM W. DEAL
Director

CERTIFICATE OF SERVICE


I HEREBY CERTIFY that, on this 27th day of March, 2012, I caused a true and correct copy of the SUMMARY ORDER REVOKING IDAHO NON-RESIDENT INSURANCE PRODUCER LICENSE to be served upon the following by the designated means:

Roy A. Gray
312 N. Nicole Lane
Scottsburg, IN 47170-6811

☒ first class mail
☒ certified mail
☐ hand delivery
☐ via facsimile

A. René Martin
Deputy Attorney General
Idaho Department of Insurance
700 W. State Street, 3rd Floor
P.O. Box 83720
Boise, ID 83720-0043

☐ first class mail
☐ certified mail
☒ hand delivery
☐ via facsimile



Teresa Jones
Assistant to the Director

EXHIBIT A

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NUMBER: 10743-AG12-0109-003

Roy Allen Gray,)
 Agent / Respondent)
)
312 N. Nicole Lane)
Scottsburg, Indiana 47170)
)
Type of Agency Action: Enforcement)
)
)

FILED

JAN 30 2012

STATE OF INDIANA
DEPT. OF INSURANCE

Indiana Insurance License No.: 382860

AGREED ENTRY

This Agreed Entry is entered into by Nikolas P. Mann, attorney for and on behalf of the State of Indiana, Department of Insurance ("Department"), and Roy Allen Gray ("Respondent"), a licensed Indiana resident insurance producer holding license number 382860, to resolve all matters under Cause Number 10743-AG12-0109-003. This Agreed Entry is subject to the review and approval of Stephen W. Robertson, Commissioner, Indiana Department of Insurance.

WHEREAS, Respondent is a licensed resident insurance producer in the State of Indiana; and

WHEREAS, on or about September 7, 2011, a formal notice of termination of appointments for the Respondent was received by the Department from Wes Fallis, an Agency Administration Manager with Farmers Insurance Group. The notice also stated that a recent audit revealed that Respondent mishandled premiums belonging to the company; and

WHEREAS, on October 28, 2011, Department Investigator Mike Herndon received an e-mail response from Susan L. Barnett, an Auditing Specialist, Farmers Insurance Group, which stated subsequent to the Respondent's termination, four cash premium payments totaling six hundred thirty six dollars thirty six cents (\$636.36) were identified as unremitted to Farmers Insurance. Additionally, another customer provided a cash premium receipt for seven hundred ninety two dollars (\$792) of which only six hundred seventy seven dollars sixty two cents (\$677.62) was applied to the insured's policy in six partial payments from July 2010 to February 2011; and

WHEREAS, the Department and Respondent desire to resolve their differences and settle the issues without a hearing;

IT IS, THEREFORE, NOW AGREED by and between the parties as follows:

1. The Commissioner has jurisdiction over the subject matter and Respondent in this administrative action.
2. This Agreed Entry is executed voluntarily by the parties.
3. Respondent voluntarily and freely waives his right to a public hearing on the issues in this action.
4. Respondent improperly withheld and misappropriated monies received in the course of doing insurance business.
5. Respondent used dishonest practices and demonstrated untrustworthiness in the conduct of business in Indiana.
6. Respondent agrees to the permanent revocation of his Indiana resident insurance producer license number 382860.
7. The Department agrees to accept Respondent's compliance with the terms of this Agreed Entry as full resolution of this matter.

8. Should this Agreed Entry not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Agreed Entry by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation in or resolution of these proceedings.
9. Respondent has carefully read this agreement and fully understands and accepts its terms.

1/27/12
Date Signed

Nikolas P. Mann
Nikolas P. Mann, Attorney
Indiana Department of Insurance

1/23/2012
Date Signed

Roy Allen Gray
Roy Allen Gray, Respondent

STATE OF INDIANA)
COUNTY OF Scott) SS:

Before me a Notary Public for Scott County, State of Indiana, personally appeared Roy Allen Gray and being first duly sworn by me upon his oath, states that the facts alleged in the foregoing instrument are true. Signed and sealed this 23rd day of January, 2012.

Paula J. Everhart
Notary Signature

Paula J. Everhart
Notary Name Printed

My Commission expires: 8-17-19

County of Residence: Scott

INDIANA DEPARTMENT OF INSURANCE

Enforcement Division

311 West Washington Street, Suite 103

Indianapolis, IN 46204-2787

317/234-5888 - telephone

317/234-2103 - facsimile

EXHIBIT B

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NUMBER: 10743-AG12-0109-003

Roy Allen Gray,)
Agent / Respondent)
)
312 N. Nicole Lane)
Scottsburg, Indiana 47170)
)
Type of Agency Action: Enforcement)
)

FILED

JAN 30 2012

STATE OF INDIANA
DEPT. OF INSURANCE

Indiana Insurance License No.: 382860

FINAL ORDER AND APPROVAL

The Indiana Department of Insurance ("Department") and Roy Allen Gray, ("Respondent"), signed an Agreed Entry which purports to resolve all issues involved in the action by the Department regarding Respondent's license, and which has been submitted to the Commissioner of Insurance (the "Commissioner") for approval.


The Commissioner, after reviewing the Agreed Entry, finds it has been entered into fairly and without fraud, duress or undue influence, and is fair and equitable between the parties. The Commissioner hereby incorporates the Agreed Entry as if fully set forth herein, and approves and adopts in full the Agreed Entry as a resolution of this matter.

IT IS THEREFORE ORDERED by the Commissioner of Insurance:

1. Respondent improperly withheld and misappropriated monies received in the course of doing insurance business.

2. Respondent used dishonest practices and demonstrated untrustworthiness in the conduct of business in Indiana.
3. Respondent's Indiana resident producer's license, number 382860, is Permanently Revoked.

ALL OF WHICH IS ORDERED this 30th day of January, 2012


Stephen W. Robertson, Commissioner,
Indiana Department of Insurance

Distribution:

Nikolas P. Mann
INDIANA DEPARTMENT OF INSURANCE
311 West Washington Street, Suite 103
Indianapolis, Indiana 46204-2787

Roy Allen Gray
312 N. Nicole Lane
Scottsburg, Indiana 47170