

JEAN R. URANGA  
Hearing Officer  
714 North 5th Street  
P.O. Box 1678  
Boise, Idaho 83701  
Telephone: (208) 342-8931  
Facsimile: (208) 384-5686  
Idaho State Bar No. 1763

FILED *98*  
APR 23 2014  
Department of Insurance  
State of Idaho

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE  
OF THE STATE OF IDAHO

STATE OF IDAHO, DEPARTMENT OF )	
INSURANCE, )	Docket No. 18-2898-13
)	
Complainant, )	ORDER DENYING MOTION TO
)	RECONSIDER
-vs- )	
)	
RICHARD ERNEST PERRY, an Idaho )	
residence insurance producer )	
holding Idaho Resident )	
Producer License No. 303220, )	
and LAURENCE J. MARINO, an )	
Idaho resident insurance )	
producer holding Idaho )	
Resident Producer License No. )	
290642, )	
)	
Respondents. )	
)	


On April 9, 2013, the Hearing Officer mailed copies of the Hearing Officer's Findings of Fact, Conclusions of Law and Preliminary Order to the parties, together with a Schedule for Review of the Preliminary Order. Mr. Marino timely filed a Motion to Reconsider which was received by fax on April 15, 2014. In his Motion to Reconsider, Mr. Marino contends he was sick the morning of the hearing and could not think 100% regarding what was going

on. On the day of the hearing, Mr. Marino did not raise that issue.

Further, pursuant to the Notice of Hearing, both parties were required to fully disclose the names of all witnesses and provide copies of all exhibits to the other party and the Hearing Officer postmarked no later than February 25, 2014. Mr. Marino failed to make any disclosures of either witnesses or exhibits.

Based upon the foregoing, the Motion to Reconsider is DENIED.

DATED This 22 day of April, 2014.

  
JEAN R. URANGA  
Hearing Officer

CERTIFICATE OF MAILING

I HEREBY CERTIFY That on this 22 day of April, 2014, I served true and correct copies of the foregoing ORDER DENYING MOTION TO RECONSIDER by depositing copies thereof in the United States mail, postage prepaid, in envelopes addressed to:

Laurence J. Marino  
15528 N. Pineview Street  
Rathdrum, Idaho 83858

A. René Martin  
Deputy Attorney General  
Idaho Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
Boise, Idaho 83720-0043

  
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APR 10 2014  
Department of Insurance  
State of Idaho

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE  
STATE OF IDAHO

STATE OF IDAHO, DEPARTMENT OF ) INSURANCE, ) )	Docket No. 18-2898-13
Complainant, ) )	HEARING OFFICER'S FINDINGS
-vs- ) )	OF FACT, CONCLUSIONS OF LAW
	AND PRELIMINARY ORDER
RICHARD ERNEST PERRY, an Idaho ) residence insurance producer ) holding Idaho Resident ) Producer License No. 303220, ) and LAURENCE J. MARINO, an ) Idaho resident insurance ) producer holding Idaho ) Resident Producer License No. ) 290642, ) )	
Respondents. ) )	

This matter came on for an evidentiary hearing on March 4, 2014, at 9:00 a.m. René Martin, Deputy Attorney General, appeared on behalf of the Department of Insurance. Laurence J. Marino appeared by telephone representing himself.

**FINDINGS OF FACT**

1. Laurence Marino was licensed as a Idaho Resident Producer in 2008. He also held a Washington State Nonresident Producer

License.

2. By Order entered September 17, 2013, Mr. Marino's Washington State Insurance Producer License was revoked effective October 7, 2013. That Order indicates that, on January 14, 2012, Mr. Marino's appointment with Monumental Life Insurance Company was terminated for cause because Mr. Marino solicited Washington State residents to buy Monumental Life Insurance which was not an approved insurance in the State of Washington. The Washington Order found Mr. Marino sold three (3) life insurance policies to Washington State residents on behalf of Stonebridge Life, knowing the policy forms were not approved by the Washington office of Insurance Commissioner. Mr. Marino, along with his partner, Richard Perry, submitted applications for 51 life insurance policies. The Order further noted that the Washington State Office of Insurance Commissioner contacted 14 policy holders, 11 of whom stated that Mr. Marino and Mr. Perry went to their homes in Spokane, Washington to sell the policies. Mr. Marino signed all of the policy applications as if they had been signed by himself and the applicant in Post Falls, Idaho.

3. The State of Idaho received notice of the Washington license revocation and this action was instituted.

4. Deb Novak, the investigator with Monumental Life Insurance Company, testified regarding the investigation conducted by Monumental Life. Mr. Marino was appointed to sell Monumental Life Insurance as an agent on March 4, 2004. Richard Perry and Mr. Marino worked together as a team. Monumental Life received a

consumer complaint which was referred to her for investigation. The complaint was received from Diane Brandt. During her investigation, Ms. Novak pulled a listing of all insurance sales by Mr. Marino to Washington residents. She found that Mr. Marino and Mr. Perry had sold 52 policies in the State of Washington. Ms. Novak talked to five (5) clients who confirmed they were at the homes in Washington when the products were sold to them by Mr. Marino. The applications for these policies were prepared by Mr. Marino and Mr. Perry to reflect that the policies were sold in Idaho when they were not. Mr. Marino's agency agreement with Monumental Life was terminated for cause.

5. Diane Brandt testified that she is 77-years-old and has lived in Spokane, Washington since September, 2009. She received a flyer from Mr. Marino and Mr. Perry which was admitted as Exhibit C, at her home in Spokane, Washington. She thought it was a government mailing. She sent the form back in asking for additional information and Mr. Marino called and scheduled an appointment to meet with her at her home. Rick Perry also came to her home with Mr. Marino. When they arrived, she was smoking outside and Mr. Marino advised her that she could not get the insurance if she smoked. Mr. Marino advised her that she should deny she was a smoker and lie to the insurance company. They went into her apartment and were discussing the policies and she was advised by Mr. Marino that she would have to say that she went to Post Falls, Idaho to buy the policy because they could not sell it in Washington.

6. Ms. Brandt's insurance application was admitted as Exhibit D. That application is dated December 18, 2012. Mr. Marino filled out the application. Page 3 is her signature. Ms. Brandt testified that even though the application says it was signed in Post Falls, Idaho, it was signed at her residence in Spokane, Washington. Page 4 signed by Mr. Marino incorrectly states it was signed in Post Falls, Idaho.

7. After Mr. Marino left, Ms. Brandt starting having second thoughts. She became concerned about the fact that she had to deny she was a smoker. She was concerned about the fact that Mr. Marino said it was illegal to sell the life insurance in Washington. Finally, she was concerned about having to say it was signed in Post Falls, Idaho. She then filed a complaint with the Washington Insurance Commission and Monumental Life.

8. Bob Collins testified that he is a fraud investigator with the State of Idaho, Department of Insurance. He became the assigned investigator for the investigation of Mr. Marino. He reviewed all of the documents and listened to all of the taped interviews. His investigation indicated that at least 21 policies were sold in Washington by Mr. Marino with the misrepresentation they were sold in Idaho.

9. Mr. Marino testified that the Diane Brandt was the only individual he sold the policy to in Washington. He admitted what he did was wrong.

10. The Hearing Officer finds that the evidence establishes that Mr. Marino's Washington's license was revoked for improperly

selling unapproved insurance policies in Washington. Mr. Marino also made fraudulent and material misrepresentations on applications.

### CONCLUSIONS OF LAW

11. Mr. Marino's conduct violates Idaho Code §41-1016(1)(i) which allows for discipline if an insurance license is denied, suspended or revoked in any other State, providence, district or territory.

12. Idaho Code §41-1016(1)(e) allows for discipline for misrepresenting the terms of an actual and proposed insurance contract or application for insurance or misrepresenting any fact material to any insurance transaction or proposed transaction.

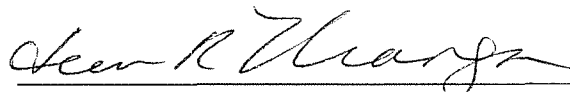
13. Finally, Idaho Code §41-1016 (1)(h) allows for discipline for using any fraudulent or dishonest practices in the conduct of business in the state or elsewhere.

14. Based upon these statutes, the Department of Insurance has the authority and grounds to revoke Mr. Marino's Idaho Resident Producer License.

### PRELIMINARY ORDER

Based upon the foregoing, IT IS HEREBY ORDERED That the license of Mr. Marino issued by the Department of Insurance for an Idaho Resident Producer License should be REVOKED.

DATED This 9 day of April, 2014.



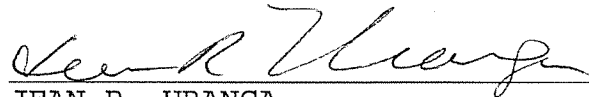
JEAN R. URANGA  
Hearing Officer

CERTIFICATE OF MAILING

I HEREBY CERTIFY That on this 9 day of April, 2014, I served true and correct copies of the foregoing HEARING OFFICER'S FINDINGS OF FACT, CONCLUSIONS OF LAW AND PRELIMINARY ORDER by depositing copies thereof in the United States mail, postage prepaid, in envelopes addressed to:

Laurence J. Marino  
15528 N. Pineview Street  
Rathdrum, Idaho 83858

A. René Martin  
Deputy Attorney General  
Idaho Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
Boise, Idaho 83720-0043

  
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