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FILED
AUG - 9 2022
Department of Insurance
State of Idaho

Attorneys for the Department of Insurance

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

IDAHO DEPARTMENT OF INSURANCE,

Complainant,

vs.

DARREL JAY BEATON, an individual
holding Idaho Non-Resident Producer License
No. 873017 and Idaho Non-Resident Surplus
Lines Broker License No. 837901,

Respondent.

Docket No. 18-4141-22

**STIPULATION AND
FINAL ORDER**

COME NOW the staff of the Idaho Department of Insurance (“Department”) and
DARREL JAY BEATON (“BEATON”) and do hereby agree and stipulate as follows:

FINDINGS OF FACT

1. BEATON is a licensed insurance producer in the state of Idaho, holding Non-Resident Producer License No. 873017, which license is due to expire on March 31, 2024, and Non-Resident Surplus Lines Broker License No. 873901, which license is due to expire on March 31, 2024. BEATON is subject to the provisions of title 41, Idaho Code, and to the rules of the

Idaho Department of Insurance promulgated thereunder.

2. The Director of the Department (“Director”) has jurisdiction over BEATON and the subject matter herein pursuant to provisions of Idaho’s Producer Licensing Act, Idaho Code §§ 41-1001 *et seq.*, as well as the Idaho Insurance Code, Idaho Code §§ 41-101 *et seq.*

3. On August 2, 2022, the Department filed a Verified Complaint and Notice of Right to Hearing (hereinafter “Verified Complaint”), seeking revocation of BEATON’s producer licenses and imposition of fines.

4. Among the allegations in the Verified Complaint were that BEATON failed to file a report of surplus lines business for the year 2021.

CONCLUSIONS OF LAW

5. Idaho Code § 41-1016(1) provides that the Director of the Department may impose an administrative penalty of up to \$1,000, and suspend, revoke, or refuse to issue an insurance license for certain enumerated violations.

6. Idaho Code § 41-1016(1)(b) gives cause for the imposition of a penalty and action against a producer for “[v]iolating any provision of title 41, Idaho Code, department rule, subpoena or order of the director or of another state’s insurance director.”

7. IDAPA 18.06.06.012 provides that by March 1st of each year, each surplus lines broker will file an annual report of surplus line business transacted during the previous calendar year on an approved form.

8. Idaho Code § 41-1230 provides that if any broker fails to file his annual report prior to the first day of April after the tax is due, the broker shall be liable for a fine of twenty-five dollars (\$25.00) for each day of delinquency commencing with the second day of April, 2022.

9. Idaho Code § 41-117 makes clear that each instance of violation may be treated as a separate offense.

10. The parties agree that this matter may be brought to a close by a negotiated and stipulated settlement and entry of this Stipulation and Final Order.

AGREEMENT

11. Based upon the foregoing, BEATON and the Department stipulate and agree as follows:

- a. BEATON certifies that he did not conduct any surplus lines business in Idaho in 2021 or in 2022;
- b. BEATON voluntarily surrenders Idaho Non-Resident Surplus Lines Broker License No. 873901;
- c. BEATON is fined in the amount of \$25.00 for each day between April 2, 2022, and the date of the Order; and
- d. The entire amount of the fine is suspended, to be payable upon BEATON's application for a new Idaho surplus lines broker license.

12. By entering into this Stipulation, BEATON knowingly and voluntarily waives any rights he would otherwise have to notice and a hearing at which he may be represented by counsel, present evidence, and examine witnesses. The parties hereto further waive their right of reconsideration, appeal, and other rights as set forth in title 67, chapter 52, Idaho Code, including the right to submit this matter for review by a court of competent jurisdiction.

13. The parties agree that the terms of this Stipulation and Final Order are appropriate and proper under the circumstances referenced herein.

14. BEATON acknowledges that he has read this Stipulation and Final Order and understands its contents; that he has been given the opportunity to discuss this Stipulation and Final Order with independent legal counsel of his choosing; and that he has entered into this Stipulation knowingly, voluntarily, and with full knowledge of any rights he may be waiving

thereby.

15. BEATON acknowledges that this is an administrative action that may be required to be reported on license applications and license renewal forms and disclosed to other agencies through which BEATON holds a license.

16. This Stipulation is subject to approval by the Director or the Director's designee, and shall become effective and binding upon the Department and BEATON upon such approval. Should the Director decline to approve this Stipulation and Final Order, the Department and BEATON shall retain all of their rights, claims and/or defenses, and any factual and/or legal admissions made by BEATON herein shall be withdrawn.

17. This Stipulation constitutes the full and final resolution of all matters addressed herein, and the Department agrees that, subject to the Director's approval described above, the Department shall seek no further civil or administrative sanctions for the violations alleged in the Verified Complaint, Docket No. 18-4141-22, subject to the agreement set forth in Paragraph 11 above.

18. BEATON agrees that, upon execution of this Stipulation and Final Order, no subsequent action or assertion shall be maintained or pursued in any manner asserting the invalidity of this Stipulation and Final Order and its provisions.

19. This Stipulation and Final Order embodies the entire agreement between the Department and BEATON, and there are no agreements, understandings, representations, or warranties that are not expressly set forth herein.

20. Upon the Director's entry of the Final Order approving this stipulation, this Stipulation and Final Order shall be a public record under the Idaho Public Records Act.

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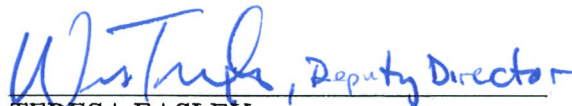
AGREED this 5th day of August, 2022.



DARREL JAY BEATON

AGREED this 5th day of August, 2022.


STATE OF IDAHO
DEPARTMENT OF INSURANCE



TERESA EASLEY
Fiscal Officer

Approved as to Form:

STATE OF IDAHO
OFFICE OF THE ATTORNEY GENERAL



Michael Witry
Deputy Attorney General
Attorney for the Department of Insurance

FINAL ORDER

The parties hereto, namely the Idaho Department of Insurance and DARREL JAY BEATON (“BEATON”) having entered into the foregoing Stipulation, and the form of the order having been approved, the Director, having reviewed the same, does hereby find that there is a factual basis for entry of a Final Order herein as stated in the Stipulation.


NOW, THEREFORE, based on the foregoing and in consideration of the premises,

IT IS HEREBY ORDERED that the foregoing Stipulation is approved and is incorporated herein as if set forth in full and made a part hereof;

IT IS FURTHER ORDERED that Idaho Non-Resident Surplus Lines Broker License No. 873901 issued to BEATON is hereby SURRENDERED;

IT IS FURTHER ORDERED that BEATON is fined in the amount of \$25.00 for each day between April 2, 2022, and the date of this Order;

IT IS FURTHER ORDERED that the entire amount of the fine is suspended, to be payable upon BEATON’s application for a new Idaho surplus lines broker license.

DATED this  day of August, 2022.

STATE OF IDAHO
DEPARTMENT OF INSURANCE


DEAN L. CAMERON
Director

NOTICE REGARDING REPORTABLE PROCEEDINGS

The foregoing is considered a reportable administrative proceeding. As such, it is a public record and is public information that may be disclosed to other states and reported to companies for which you are actively appointed. This information will be reported to the National Association of Insurance Commissioners (NAIC) and will appear in the online searchable database of the Idaho Department of Insurance. You should be aware that this proceeding must be disclosed on any insurance license application and must be reported to any and all states in which you hold an insurance license.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 9th day of August, 2022, I caused a true and correct copy of the STIPULATION AND FINAL ORDER to be served upon the following parties by the method(s) indicated below:

<p>Darrel Jay Beaton 4141 Frisco Green Ave. Apt. 441 Frisco, TX 75034-2329</p>	<p><input checked="" type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email: dbeaton@tboia.com</p>
<p>Karl T. Klein Deputy Attorney General Idaho Department of Insurance 700 W. State St., 3rd Floor PO Box 83720 Boise, ID 83720-0043</p>	<p><input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email: karl.klein@doi.idaho.gov</p>
<p>Michael Witry Deputy Attorney General Idaho Department of Insurance 700 W. State St., 3rd Floor PO Box 83720 Boise, ID 83720-0043 <i>Counsel for Department of Insurance</i></p>	<p><input checked="" type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email: michael.witry@doi.idaho.gov</p>


 Penny Wilcox