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I.S.B. No. 3873

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Department of Insurance
State of Idaho

Attorneys for the Department of Insurance

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

**IDAHO DEPARTMENT OF
INSURANCE,**

Complainant,

vs.

CADE M. RICHMAN, an individual
holding Idaho Resident Insurance Producer
License No. 84856,

Respondent.

Docket No. 18-2966-14

STIPULATION AND FINAL ORDER

STIPULATION

The Idaho Department of Insurance (hereinafter "Department") and Respondent **CADE M. RICHMAN** (hereinafter "Richman") hereby agree and stipulate as follows:

1. The Director of the Department has jurisdiction over this matter pursuant to Title 41, Idaho Code.

2. On October 24, 2014, the Department filed and served a Verified Complaint and Notice of Right to Hearing (hereinafter "Verified Complaint") on Richman.

3. On or about November 10, 2014, Attorney William Parsons filed a Request for Hearing on behalf of Richman.

4. The Department alleged in the Verified Complaint that Richman violated section 41-1016(1)(d) and section 41-1024, Idaho Code, when Richman, on several occasions, improperly withheld and misappropriated moneys received in the course of doing insurance business by failing to remit to the insurer full premium received from certain insurance customers.

5. In consideration of the foregoing recitals, the Department and Richman agree:

a. That Richman admits to one violation of section 41-1016(1)(d), Idaho Code, for improperly withholding and misappropriating moneys received in the course of doing insurance business;

b. That the Director of the Department may enter the Final Order attached hereto, which provides as follows:

(i) That the Stipulation be adopted in full and incorporated into the Final Order;

(ii) That an administrative penalty in the amount of Five Thousand Dollars (\$5,000) be imposed against Richman, with \$3,000 of said penalty to be suspended indefinitely, or until such time in the future it is found by the Department, as a conclusion of law and in a final order, that Richman is in violation of the Idaho Insurance Code, title 41, Idaho Code,

whereupon the suspended portion of the penalty shall be immediately due and payable.

(iii) That the balance of \$2,000 of the administrative penalty shall be paid in full within six (6) months of the date of entry of the Final Order, at the rate of \$350 each month for five (5) months with a final payment of \$250 due in the sixth month. If the agreed amount per month is not paid, or for any reason the total amount due is not paid as agreed within six (6) months, the suspended portion of the penalty, *i.e.*, \$3,000 shall also be due and payable immediately.

c. That Richman understands that, should he fail to pay the administrative penalty or otherwise fail to comply with the terms set forth in the Final Order, the Department may file an action seeking revocation of Richman's Idaho producer license for failure to obey a lawful order, in accordance with section 41-1016(1)(b), Idaho Code.

d. That Richman agrees to obtain the necessary professional training and education to handle fiduciary funds properly in accordance with industry practice and the applicable Idaho Code and rules of the Idaho Department of Insurance. Richman agrees to provide the Department evidence on a timely basis as to the professional training and education obtained.

e. That Richman understands that the Department will do an onsite examination in accordance with the Idaho Insurance Code of Richman's producer operating account(s) and premium fiduciary account(s) and related books and files without prior notice within one year of the date of the Final Order entered herein.

6. The terms of this Stipulation are appropriate and proper under the circumstances referenced herein; and the parties hereto have entered into this Stipulation knowingly, voluntarily, and with full knowledge of any rights they may be waiving thereby.

7. Before executing this Stipulation, Richman has had the opportunity to review this Stipulation with his attorney and to seek appropriate advice and counsel relating to this Stipulation and Final Order.

8. The parties hereto waive their right to notice and hearing at which they 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.

9. The parties hereto have reviewed the proposed Final Order and agree as to its form and that said Final Order may be submitted to the Director of the Department for his review and signature.

IT IS SO AGREED.

DATED THIS 28 day of July, 2015.

RESPONDENT

By: _____


CADE M. RICHMAN

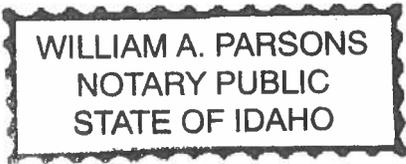
STATE OF IDAHO)
 : ss.
County of Cassia)

On this 28 day of July, 2015, before me, the undersigned Notary Public, personally appeared CADE M. RICHMAN, proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

William A Parsons

Notary Public
Residing at Budy
My commission expires 7/20/16



STIPULATION AND FINAL ORDER APPROVED AS TO FORM:

By: William A Parsons
WILLIAM A. PARSONS
Attorney for Cade M. Richman

IT IS SO AGREED.

DATED THIS 21st day of July, 2015.

STATE OF IDAHO
DEPARTMENT OF INSURANCE

By: Elaine Mellon
ELAINE MELLON
Bureau Chief, Consumer Services Bureau

STATE OF IDAHO)
 : ss.
County of Ada)

On this 21st day of July, 2015, before me, the undersigned Notary Public, personally appeared ELAINE MELLON, proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

[Signature]

Notary Public of Idaho
Residing at BOISE
My commission expires 30 OCTOBER 2019



STIPULATION AND FINAL ORDER APPROVED AS TO FORM:

By: [Signature]
John C. Keenan
Deputy Attorney General
Attorneys for Idaho Department of Insurance

FINAL ORDER

The parties hereto, namely the Idaho Department of Insurance and CADE M. RICHMAN, 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 and does hereby conclude that CADE M. RICHMAN did violate title 41, Idaho Code, 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 an administrative penalty in the amount of Five Thousand Dollars (\$5,000) is hereby imposed against CADE M. RICHMAN.

IT IS FURTHER ORDERED that Three Thousand Dollars (\$3,000) of said administrative penalty is suspended for an indefinite period, or until such time that, in any future proceeding, the Idaho Department of Insurance in a final order concludes as a matter of law that CADE M. RICHMAN violated the Idaho Insurance Code, title 41, Idaho Code, the remaining suspended sum of \$3,000.00 shall no longer be suspended but shall be due and payable immediately.

IT IS FURTHER ORDERED that the remaining unsuspended sum of Two Thousand Dollars (\$2,000) is immediately due and payable and shall be paid within six (6) months of the date of entry of this Final Order, payable at the rate of \$350 per month for five (5) months with one final payment in the amount of \$250 due in the sixth month. In the event the agreed amount is not paid in the respective month due or for any reason the total amount is not paid as agreed within the time allotted, the suspended portion of the administrative penalty in the amount of \$3,000 shall also be due and payable immediately.

IT IS SO ORDERED.

DATED THIS 31 day of July, 2015.

STATE OF IDAHO
DEPARTMENT OF INSURANCE

By 
DEAN CAMERON
Director

NOTIFICATION REGARDING REPORTABLE PROCEEDINGS

This 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 of which you are actively appointed. This information will be reported to the National Association of Insurance Commissioners (NAIC) and will appear in the Idaho Department of Insurance's online searchable database. Be aware that this proceeding must be disclosed on any license application and must be reported to any and all states in which you hold an insurance license.

CERTIFICATE OF SERVICE

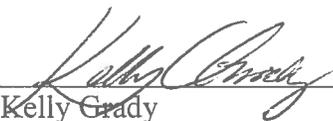
I HEREBY CERTIFY that on this ____ day of July, 2015, I caused to be served a true copy of the foregoing **STIPULATION AND FINAL ORDER** by the method indicated below, and addressed to each of the following:

William A. Parsons, Esq.
Parsons, Smith, Stone, Loveland & Shirley, LLP
PO Box 910
Burley, Idaho 83318

- first class mail
- certified mail
- hand delivery
- via facsimile

John C. Keenan
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



Kelly Grady