

DECLARATION OF MAIL

STATE OF WASHINGTON

Phone: (360) 725-7000

STATE INSURANCE COMMISSIONER
I declare under penalty of perjury under the laws of the State of Washington that on the date listed below, I mailed or caused delivery of a true copy of this document to Mr. Chronister, Mr. Chuk Brown, John Namyre, Mike Watson
DATED this 21 day of October 2005 at Tumwater, Washington.



FILED

Signed Hendy Hallway

OFFICE OF INSURANCE COMMISSIONER

2005 OCT 21 A 8:41

In the Matter of

No. D 05 - 375

ROBERT S. CHRONISTER

Hearings Unit, DIC
Patricia D. Petersen
Ref Hearing Officer

Licensee.

STIPULATION AND ORDER

Pursuant to RCW 34.05.060 and WAC 10.08.230(2)(b), the parties hereby stipulate and agree to the following in resolution of this matter:

Stipulated Facts and Law

1. Robert S. Chronister holds an insurance agent's license issued by the Washington Insurance Commissioner.
2. OIC entered an Order Revoking License on September 2, 2005, revoking this license. Pursuant to RCW 48.04.040, Licensee objected to OIC's order and requested an administrative hearing as a result of which, pursuant to RCW 48.04.020, the Order Revoking License was stayed and Licensee's insurance license was not revoked.
3. In August, 2004, Licensee met with a Washington consumer who had responded to an advertisement for mortgage protection insurance. The consumer instructed the licensee that he was not interested in long term care insurance and was only interested in purchasing life insurance with a death benefit sufficient to pay off his home mortgage of approximately \$125,000. The licensee quoted the consumer a \$125,000 life insurance policy with Mutual of Omaha at \$320 per month. The consumer gave the licensee an initial premium check for \$156 payable to Mutual of Omaha for what the consumer was led to believe was the \$125,000 life insurance policy. In reality, the premium check, which was cashed by Mutual of Omaha, was for a Long Term Care Policy.
4. Licensee then told the consumer that he would correct the mistake and get the \$125,000 life insurance policy issued. Without the consumer's knowledge or consent the licensee completed another application to Mutual of Omaha. Licensee did not apply for the requested \$125,000 amount. Instead, he applied for a \$50,000 Universal Life policy with a \$50,000 term rider on the primary insured. The consumer reviewed this application when it was obtained by the investigator from Mutual of Omaha and said that he had never seen this application and that his signatures were forgeries.
5. Licensee then quoted and offered to put in force for the consumer a life insurance policy with U.S. Financial Life Insurance Company. Licensee had no appointment with U.S. Financial Life Insurance Company, and submitted another application through an appointed U.S. Financial Life Insurance Company agent. The consumer reviewed this application when it was obtained by the investigator from U. S. Financial and said that he had never seen this application and that his signatures were forgeries. Included with the application were forms that consented to HIV testing,



and a form that would allow bank deductions from the consumer's bank account on which the consumer's signature was also allegedly forged.

6. In addition to the allegedly forged documents, a photocopy of a supposed blank check marked "VOID" was submitted to U. S. Financial. Licensee Chronister admits to the above-described conduct and to altering the photocopy of this check to remove the name of the original payee, except that Licensee denies forging any signatures.

7. The above-described conduct violated RCW 48.30.040, false, deceptive and misleading representations, RCW 48.30.010(1), unfair or deceptive acts or practices, RCW 48.30.090 misrepresentation of the terms of insurance, RCW 48.17.010, attempting to place insurance with a company with which the agent had no appointment, and RCW 48.30.210, false or misleading statements or impersonations relative to applications.

Stipulation And Consent To Order

Licensee hereby stipulates to the preceding facts and law and to entry of the following Order. Licensee enters into this stipulation voluntarily and in lieu of OIC's request for revocation of Licensee's license for the conduct set forth above and in lieu of any further proceedings in Cause Number D 05-375. Licensee has engaged in practices that are not in accord with the standards set out in Washington Insurance Code and Licensee stipulates and agrees that he will comply with all Washington insurance laws and regulations in the future. Licensee further stipulates and agrees that he will not solicit old customers to replace products issued by companies with whom he was formerly affiliated with new products issued by companies with which he remains or becomes appointed. Licensee further stipulates and agrees that the facts set forth above and the fact of this stipulation may be considered by the Commissioner in any future administrative action regarding Licensee and that any future violation on the part of Licensee of the statutes and regulations set forth above will result in the permanent revocation of his Washington insurance agent's license. Licensee further stipulates and agrees that he will attend an additional 7 hours of continuing education in insurance ethics and will pay a fine of \$5,000, \$2,000 of which amount is due within thirty days of entry of the subjoined orders and the remainder of which shall be due within twelve months thereafter and that failure to pay such fine when due shall constitute adequate grounds for immediate revocation of Licensee's Washington insurance license and that the fine will be recoverable in a civil action brought on behalf of the Commissioner by the Attorney General.

Signed this 13TH day of October, 2005.



Robert S. Chronister

Office of the Insurance Commissioner

By



Charles D. Brown, OIC Staff Attorney

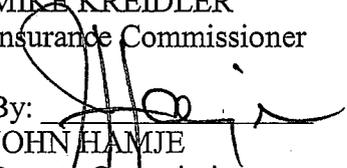
ORDER

IT IS ORDERED that pursuant to RCW 48.17.530, and the foregoing Stipulated Facts and Law and Stipulation and Consent to Order that:

1. Licensee will pay a fine in the total amount of \$5,000, \$2,000 of which amount is due upon entry of this Order and \$3,000 of which is due within twelve months thereafter.
2. Licensee shall not engage in the insurance practices set forth in the foregoing Stipulated Facts and Law.
3. Within twelve months, Licensee will attend an additional seven hours of continuing education in the field of insurance ethics over and above any other continuing education requirement.
3. Failure to pay the fine set forth herein when due or future violation on the part of Licensee of the statutes and regulations set forth in the Stipulated Facts and Law herein will result in the permanent revocation of his Washington insurance license.

ENTERED AT TUMWATER, WASHINGTON, this 17th day of October, 2005.

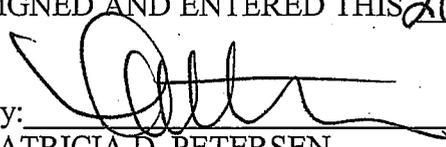
MIKE KREIDLER
Insurance Commissioner

By: 
JOHN HAMJE
Deputy Commissioner

ORDER TERMINATING PROCEEDINGS

This matter having come before the undersigned Administrative Law Judge on the stipulation of the parties, pursuant to RCW 48.17.530 and 48.17.560 and the stipulation of the parties, it is hereby ordered that OIC Docket Number D 05-375 is hereby closed and the adjudicative proceeding therein is hereby dismissed.

SIGNED AND ENTERED THIS 20th day of October, 2005.

By: 
PATRICIA D. PETERSEN
Chief Hearing Officer
Office of Insurance Commissioner

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