

**BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA**

FILED

STATE OF OKLAHOMA, ex rel. KIM HOLLAND, Insurance Commissioner,

 Petitioner,

v.

KIMBERLY G. FRANK, a licensed Resident Producer,

 Respondent.

NOV 30 2010

INSURANCE COMMISSIONER
OKLAHOMA

Case No. 10-1192-DIS

FINAL ADMINISTRATIVE ORDER

COMES NOW the State of Oklahoma, ex rel. Kim Holland, Insurance Commissioner, by and through her attorney, Julie Meaders, and states as follows:

JURISDICTION

1. Kim Holland is the Insurance Commissioner of the State of Oklahoma and is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101 *et seq.*
2. Kimberly G. Frank is a licensed resident producer holding license number 117082. Her address of record with the Oklahoma Insurance Department is Route 1, Box 26, Gotebo, Oklahoma 73041.
3. The Insurance Commissioner may place on probation, censure, suspend, revoke or refuse to issue or renew a license issued pursuant to the Oklahoma Producer Licensing Act and/or may levy a fine up to \$1,000.00 for each occurrence of a violation of the Oklahoma Insurance Code, 36 O.S. § 1435.13(A) and (D).

4. If the Insurance Commissioner finds that the public health, safety or welfare imperatively requires emergency action, and incorporates a finding to the effect in its order, summary suspension of a license may be ordered pending proceedings for revocation or other action. 75 O.S. §§ 314(C)(2), 314,1, OAC 365:1-7-9(a).

FINDINGS OF FACT

1. Respondent was formerly employed as a District Service Coordinator with AFLAC in Gotebo, Oklahoma. AFLAC Investigator Chad Bohannon complained to the Oklahoma Insurance Department that Respondent created a bogus trucking company bearing her son's name, Dakota Young Custom Trucking, and falsified thirty-one applications for insurance policies on ten individuals to reflect they were employed by Dakota Young Trucking between April 1, 2008 and October 3, 2009.

2. The purpose behind falsifying the applications was to qualify these individuals for AFLAC reduced group policy rates when the individuals did not qualify for group rates. Dakota Young was the twenty-year old son of Respondent. Investigation revealed that Dakota Young Custom Trucking did not exist. Respondent received a commission for the sale of each policy and then cancelled the majority of the policies before the next month's premium was due.

3. Respondent listed Thomas Madden as employed by Dakota Young Custom Trucking in an application for AFLAC insurance. Policy PP395489 was issued April 1, 2008 and cancelled on July 1, 2008.

4. Respondent listed Isaak Chance as employed by Dakota Young Custom Trucking in an application for AFLAC insurance. Policy PP395490 was issued April 1, 2008 and cancelled on April 1, 2008.

5. Respondent listed Dakota Young as owner of Dakota Young Custom Trucking in several applications for AFLAC insurance. Policy PR570114 was issued on September 2, 2008 and cancelled on October 2, 2009. Policy PR802138 was issued on October 1, 2008 and cancelled on October 1, 2008. Policy PR802139 was issued on October 1, 2008 and cancelled on October 1, 2008. Policy PR802140 was issued on October 1, 2008 and cancelled on December 1, 2008.

6. Respondent listed Amy Young as employed by Dakota Young Custom Trucking in four applications for AFLAC insurance. Policy PR570115 was issued September 2, 2008 and cancelled on October 2, 2009. Policy PT891109 was issued on June 24, 2009 and cancelled on August 24, 2009. Policy PT891110 was issued June 24, 2009 and cancelled on June 24, 2009. Policy PT891116 was issued on July 1, 2009 and cancelled on July 1, 2009.

7. Respondent listed Greg Cowan as employed by Dakota Young Custom Trucking in five applications for AFLAC insurance. Policy PR802115 was issued October, 2008 and cancelled on October 1, 2008. Policy PR802119 was issued on October 1, 2008 and cancelled on October 1, 2008. Policy PR802122 was issued on October 1, 2008 and cancelled on October 1, 2008. Policy PR802909 was issued on October 1, 2008 and cancelled on October 1, 2008. Policy PR802910 was issued on October 1, 2008 and cancelled on October 1, 2008.

8. Respondent listed Barbara Fuchs as employed by Dakota Young Custom Trucking in four applications for AFLAC insurance. Policy PR802143 was issued on October 1, 2008 and cancelled on October 1, 2008. Policy PR802145 was issued on October 1, 2008 and cancelled on October 1, 2008. Policy PR802146 was issued on

October 1, 2008 and cancelled on November 1, 2008. Policy PR802148 was issued on October 1, 2008 and cancelled on October 1, 2008.

9. Respondent listed Jason Eastwood as employed by Dakota Young Custom Trucking in one application for AFLAC insurance. Policy PS012450 was issued on October 27, 2008 and cancelled on October 27, 2008.

10. Respondent listed Michael Lindsey as employed by Dakota Young Custom Trucking in two applications for AFLAC insurance. Policy PT891111 was issued on June 24, 2009 and cancelled on June 24, 2009. Policy PT 891112 was issued on June 24, 2009 and cancelled on September 24, 2009.

11. Respondent listed Sherry McSperitt as employed by Dakota Young Custom Trucking in eight applications for AFLAC insurance. Policy PT988119 was issued on July 7, 2009 and cancelled on October 7, 2009. Policy PT988120 was issued on July 7, 2009 and cancelled on July 7, 2009. Policy PT988121 was issued on July 7, 2009 and cancelled on July 7, 2009. Policy PT988122 was issued on July 7, 2009 and cancelled on July 7, 2009. Policy PT988123 was issued on July 7, 2009 and cancelled on July 7, 2009. Policy PT988124 was issued on July 7, 2009 and cancelled on July 7, 2009. Policy PT988125 was issued on July 7, 2009 and cancelled on July 7, 2009. Policy PT988126 was issued on July 7, 2009 and cancelled on July 7, 2009.

12. Respondent listed Torey Franklin as employed by Dakota Young Custom Trucking in one application for AFLAC insurance. Policy PU16842 was issued October 3, 2009 and cancelled on October 3, 2009.

13. Respondent faxed a letter to AFLAC on September 30, 2008 on Dakota Young Custom Trucking letterhead purportedly signed by Dakota Young. The letter

stated that Dakota Young was the owner of Dakota Young Custom Trucking; that Amy Young was employed as administrator; Barbara Fuchs was employed as secretary; Thomas Madden was employed as a driver; Greg Cowan was employed as a driver; and Chance Issak was employed as a driver – none of which was true. The purpose of the letter was to allow short term disability insurance policy PR802140 to be issued.

14. Respondent was paid approximately \$22,000.00 in advance commissions for these applications. No restitution has been made to AFLAC by Respondent as of this date.

CONCLUSIONS OF LAW

Respondent violated 36 O.S. § 1435.13(A)(8) by using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state.

ORDER

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner that the **Emergency Order of Suspension Instante**r entered in this matter on October 14, 2010 is a **FINAL ADMINISTRATIVE ORDER**, that no hearing was requested and Respondent's license is hereby **REVOKED**.

WITNESS My Hand and Official Seal this 29th day of November 2010.



DARREN ELLINGSON
DEPUTY INSURANCE COMMISSIONER
STATE OF OKLAHOMA

CERTIFICATE OF MAILING

I, Julie Meaders, hereby certify that a true and correct copy of the above and foregoing Final Administrative Order was mailed by certified mail with postage prepaid and return receipt requested on this 30th day of November, 2010 to:

Kimberly G. Frank
Route 1, Box 26
Gotebo, OK 73041

Kimberly Frank
14026 E. 101st Street North
Owasso, OK 74055 Certified Mail No: 7008 1830 0003 9410 8741

CERTIFIED MAIL NO. 7008 1830 0003 9410 8727

and a copy was mailed to all appointing insurers/RIRS

and a copy was delivered to:

Leah Scoles
Producer Licensing Division

Rick Wagnon/Jackie Johnson
Anti-Fraud Division



JULIE MEADERS
ASSISTANT GENERAL COUNSEL

7008 1830 0003 9410 8741

COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<p>Items 1, 2, and 3. Also complete Restricted Delivery is desired. Name and address on the reverse can return the card to you. Put card to the back of the mailpiece, front if space permits.</p> <p>Delivered to:</p>	<p>A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p>	
<p>For delivery to: Kimberly Frank 14026 E. 101st Street North Owasso, OK 74055 Legal 10-1192-DIS-JAM</p>	<p>B. Received by (Printed Name) <i>Kimberly Frank</i></p>	<p>C. Date of Delivery 12-2</p>
<p>Article Number (transfer from service label) Form 3811, February 2004</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, enter delivery address below: DEC 06 2010 Legal Division</p> <p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>	
<p>7008 1830 0003 9410 8741</p>		

Kimberly Frank
 14026 E. 101st Street North
 Owasso, OK 74055
 Legal 10-1192-DIS-JAM

See Reverse for Instructions