

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

**STATE OF OKLAHOMA, ex rel. JOHN D.
DOAK, Insurance Commissioner,**)
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 Petitioner,)
)
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 v.)
)
)
 RUSSELL DON HANDLEY, JR., a licensed)
 nonresident insurance producer,)
)
)
 Respondent.)

FILED
SEP 27 2011
INSURANCE COMMISSIONER
OKLAHOMA

Case No. 11-0854-DIS

FINAL ADMINISTRATIVE ORDER

COMES NOW the State of Oklahoma, ex rel. John D. Doak, Insurance Commissioner, by and through his attorney, Julie Meaders, and alleges and states as follows:

JURISDICTION

1. John D. Doak 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. Russell Don Handley, Jr. is a licensed nonresident insurance producer holding license 40077176. His address of record with the Oklahoma Insurance Department is 5529 W. Rosedale Street, Ft. Worth, Texas 76107-5128.
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. John Lamb, President of the Bartlesville, Oklahoma Crime Stoppers Organization and Vice-Chairman of the United States Crime Stoppers Organization, complained to the Oklahoma Insurance Department on July 12, 2011 that the Bartlesville Crime Stoppers Organization made a premium payment of \$517.00 by check #1173 to Legacy Connections Agency for a directors and officers liability insurance policy on December 8, 2010; that the agency failed to forward the premium to the insurer; and that there was no insurance coverage purchased because a policy was not issued.

2. Legacy Connections Agency is a proprietary agency located in Ft. Worth, Texas owned by resident Texas producer Russell Don Handley, Jr. Lamb recently determined that the Bartlesville Crime Stoppers Organization had never received a copy of the policy purchased in December 2010 and requested a copy from Handley. Handley told him that a copy would be sent to the organization. The organization never received a copy of the policy and Handley never returned Lamb's subsequent phone calls.

3. Lamb contacted the Texas Department of Insurance and learned that Handley was under investigation for failing to remit premiums for coverage for numerous Crime Stoppers organizations across the United States. He then contacted Great American Insurance Group, the purported insurer for the directors & officers' liability coverage. He learned that Handley had requested a quote from the insurer for his

organization but the insurer never received a binder order from Handley. Lamb was provided with a list of other Crime Stopper Organizations who were also affected by Handley's failure to remit premiums for coverage.

4. Paul Perry, Chairperson of the Pittsburg County, Oklahoma Crime Stoppers Organization, also complained to the Oklahoma Insurance Department that his organization made a premium payment to Legacy Connections Agency and did not receive coverage for a directors & officers liability policy. The Pittsburg County organization paid Legacy \$687.00 by check #1056 on November 15, 2010. The check was cashed but no policy was ever issued.

5. Perry contacted Handley in June 2011 who informed him that the agency was in bankruptcy and that the premium money was lost in the bankruptcy. Both Lamb and Perry presented demand letters to Handley in June 2011 for refunds of the paid premiums but Handley has failed to respond to them.

CONCLUSIONS OF LAW

1. Respondent violated 36 O.S. § 1435.13(A)(4) by improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business.

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

ORDER

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner that the **Administrative Order of Suspension Instante** entered in this matter on August 19, 2011 is a **FINAL ADMINISTRATIVE ORDER**, that no hearing was requested and Respondent's insurance producer license is hereby **REVOKED**.

WITNESS My Hand and Official Seal this 26th day of September, 2011.



PAUL WILKENING
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 21st day of September, 2011 to:

Russell Don Handley, Jr.
Legacy Connections Agency
5529 W. Rosedale Street
Ft. Worth, TX 76107-5128

CERTIFIED MAIL NO: 7008 1830 0003 9411 9662

and a copy was mailed to all appointing insurers/RIRS

and a copy was delivered to:

Leah Scoles
Licensing Division

Rick Wagnon/Jackie Johnson
Anti-Fraud Division



JULIE MEADERS
ASSISTANT GENERAL COUNSEL