



## ALLEGATIONS OF FACTS

1. Respondent held a nonresident business entity insurance producer license until the date of its expiration on April 30, 2017. Respondent applied for reinstatement of its nonresident business entity insurance producer license on or about May 5, 2017 with the Oklahoma Insurance Department (the "Department").

2. On the application form, the second question asks the following: "Has the business entity or any owner, partner, officer or director of the business entity, or manager or member of a limited liability company, ever been named or involved as a party in an administrative proceeding, including a Financial Industry Regulatory Authority ("FINRA") sanction or arbitration proceeding regarding any professional or occupational license, or registration?" Respondent answered "no" to this question.

3. The application form defines being "involved" in an administrative proceeding as the following: "having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, a cease and desist order, a prohibition order, a compliance order, placed on probation, sanctioned or surrendering a license to resolve an administrative action. 'Involved' also means being named as a party to an administrative or arbitration proceeding, which is related to a professional or occupational license or registration." 'Involved' also means having a license, or registration application denied or the act of withdrawing an application to avoid a denial." Applicants may only exclude "terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee."

4. A background check conducted by the Department's Licensing Division showed that Respondent had the following administrative action listed on its record: a 2014 complaint issued by FINRA for violations including improper supervisory control procedures and failure to

properly maintain its purchase and sales blotter. Respondent entered into a Consent Order and was fined Twelve Thousand Five Hundred Dollars (\$12,500.00). Accordingly, Respondent did not properly disclose the aforementioned administrative action in the license application.

### **ALLEGED VIOLATIONS OF LAW**

1. Respondent violated 36 O.S. § 1435.13(A)(1); providing incorrect, misleading, incomplete or materially untrue information in the license application

### **ORDER**

**IT IS THEREFORE ORDERED, ADJUDGED AND DECREED** by the Insurance Commissioner, subject to the following paragraph, that Respondent is hereby **CENSURED** and **FINED THREE HUNDRED DOLLARS (\$300.00)** for violation of *36 O.S. § 1435.4(A)*. The **\$300.00 fine is to be paid within thirty (30) days** of this Conditional Administrative Order and made payable to the Oklahoma Insurance Department. License will be issued upon payment of the fine.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** by the Insurance Commissioner that this Order is a Conditional Order. Unless Respondent requests a hearing with respect to the Allegations of Fact set forth above within thirty (30) days of mailing of this Order, this Order and the penalties set forth above shall become a Final Order on the thirty-first day following the mailing of this Order. A request for hearing shall be in writing addressed to Lisa M. Torneten, Oklahoma Insurance Department, Legal Division, 3625 NW 56<sup>th</sup> St., Suite 100, Oklahoma City, Oklahoma 73112. Additionally, the request for hearing shall state the grounds for the request to set aside or modify the Order. The request shall be served on the Oklahoma Insurance Department within the thirty (30) days allotted. The proceedings on such requested hearing will be conducted in accordance with the Oklahoma Insurance Code, *36 O.S. §§ 101 et*

*seq.*, and the Oklahoma Administrative Procedures Act, 75 O.S. §§ 250 through 323. If Respondent serves a timely request for hearing on the Oklahoma Insurance Department, this Conditional Order shall act as a notice of the matters to be reviewed at the hearing and the Allegations of Fact, Alleged Violations of Law, and penalties imposed in this Conditional Order shall be considered withdrawn, pending final resolution at the hearing.

WITNESS My Hand and Official Seal this 2<sup>nd</sup> day of June, 2017.



JOHN D. DOAK  
INSURANCE COMMISSIONER  
STATE OF OKLAHOMA

A handwritten signature in black ink, appearing to read "Lisa M. Torneten".

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Lisa M. Torneten  
Oklahoma Insurance Department  
3625 NW 56<sup>th</sup> Street, Suite 100  
Oklahoma City, Oklahoma 73112  
(405) 522-6330  
(405) 522-1250 Fax



**CERTIFICATE OF MAILING**

I, Lisa M. Torneten, hereby certify that a true and correct copy of the above and foregoing *Conditional Administrative Order and Notice of Right to be Heard* was mailed by certified mail, with postage prepaid and return receipt requested, on this 2<sup>nd</sup> day of June, 2017, to the following:

Henry D'Alberto  
American Financial Associates, Inc.  
1700 Northampton St., Suite A  
Easton, PA 18042

**CERTIFIED MAIL NO.** 7016 0910 0000 8401 2430

and a copy was delivered to:

Lorie Jones  
Licensing Division



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Lisa M. Torneten  
Assistant General Counsel

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Adult Signature Required \$ \_\_\_\_\_

Adult Signature Restricted Delivery \$ \_\_\_\_\_

Postage \$ \_\_\_\_\_

Total Postage and Fees \$ \_\_\_\_\_



Henry D'Alberto  
 American Financial Associates, Inc.  
 1700 Northampton St., Suite A  
 Easton, PA 18042  
**sms/17-0361-DIS/Cond Ord**

Sent To \_\_\_\_\_

Street and Apt. No., or P.O. Box No. \_\_\_\_\_

City, State, ZIP+4® \_\_\_\_\_

PS Form 3800, April 2015 PSN 7530-02-000-9053

7016 0910 0000 8401 2430

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<p>■ Complete items 1, 2, and 3.</p> <p>■ Print your name and address on the reverse so that we can return the card to you.</p> <p>■ Attach this card to the back of the mailpiece, or on the front if space permits.</p>	<p>A. Signature <input type="checkbox"/> Agent  <input checked="" type="checkbox"/> <i>Marion Pierfy</i> <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>Marion Pierfy</i> C. Date of Delivery <i>6-5-17</i></p>
<p>1. Article Addressed to:</p> <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> <p>Henry D'Alberto                      American Financial Associates, Inc.                      1700 Northampton St., Suite A                      Easton, PA 18042  <b>sms/17-0361-DIS/Cond Ord</b></p> </div> <p>9590 9402 1900 6104 3992 44</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes                      If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>RECEIVED                      OKLAHOMA INSURANCE DEPARTMENT                      JUN 12 2017                      Legal Division</p>
<p>2. Article Number (Transfer from service label)  <b>7016 0910 0000 8401 2430</b></p>	<p>3. Service Type</p> <p><input type="checkbox"/> Adult Signature <input type="checkbox"/> Priority Mail Express®</p> <p><input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail™</p> <p><input type="checkbox"/> Certified Mail® <input type="checkbox"/> Registered Mail Restricted Delivery</p> <p><input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Collect on Delivery <input type="checkbox"/> Signature Confirmation™</p> <p><input type="checkbox"/> Collect on Delivery Restricted Delivery <input type="checkbox"/> Signature Confirmation Restricted Delivery</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> Signature Confirmation Restricted Delivery (over \$500)</p>
<p>PS Form 3811, July 2015 PSN 7530-02-000-9053</p>	<p>Domestic Return Receipt</p>