

FILED
OCT 23 2019
INSURANCE COMMISSIONER
OKLAHOMA
665-DIS

Case No. 19-0665-DIS

3. Pursuant to 36 O.S. § 1435.13(A) and (D), 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 of not less than One Hundred Dollars (\$100.00) nor more than One Thousand Dollars

(\$1,000.00) for each occurrence of a violation of 36 O.S. § 1435.13(A)(1) through (A)(14).

ALLEGATIONS OF FACT

1. On or about October 2, 2019, the Oklahoma Insurance Department's Licensing Division ("OID Licensing") received a termination of appointment notification from Farmers Insurance ("Farmers") in regard to Respondent. Farmers also provided OID Licensing with a copy of its investigative report (the "Report") into Respondent's conduct, which led to the termination of his appointment.

2. Farmers' Report provided, in relevant part, that Farmers' Internal Audit unit ("FIA") reviewed forty-six (46) insurance policies in Respondent's book of business that were issued between March 2016 and February 2019 wherein each policy included a new roof discount. Of those 46 policies, thirty-five (35) were determined as having the new roof discount applied in error because FIA confirmed that the roofing invoices supporting the discounts on those 35 identified policies were falsified.

3. More specific to Respondent, the Report stated that approximately four (4) of the identified 35 policies had the new roof discount added by Respondent's Farmers user identification ("Farmers ID"). The remaining thirty-one (31) policies had the new roof discount applied by the Farmers ID of two (2) former employees of Respondent.

4. In an interview with FIA as part of its investigation into this matter, which was referenced in the Report, Respondent agreed that the roofing invoices at issue in FIA's review were falsified.

ALLEGED VIOLATIONS OF LAW

1. 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 or elsewhere.

ORDER

IT IS THEREFORE ORDERED by the Insurance Commissioner that Respondent is CENSURED and FINED FOUR HUNDRED DOLLARS (\$400.00) The fine is to be paid within thirty (30) days from receipt of this Order and made payable to the Oklahoma Insurance Department. Payment may be made by either cashier's check or money order. Failure to comply with a proper order of the Insurance Commissioner may result in further administrative action.

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 the date of receipt of this Order, this Order and the penalties set forth above shall become a Final Order on the thirty-first day following the date of receipt of this Order. A request for hearing should be in writing addressed to Barron B. Brown, Oklahoma Insurance Department, Legal Division, 3625 NW 56th St., Suite 100, Oklahoma City, Oklahoma 73112. The request for hearing must state the grounds for the request to set aside or modify the Order.

Any such hearing shall be conducted according to the procedures for contested cases under the Oklahoma Insurance Code, 36 O.S. §§ 101 et seq., O.A.C. 365:1-7-1 et seq. and the Oklahoma Administrative Procedures Act, 75 O.S. §§ 308a et seq. If Respondent serves a timely request for hearing on the Oklahoma Insurance Department, this

Conditional Order shall act as 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 23rd day of October, 2019.



GLEN MULREADY
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

A handwritten signature in dark ink, appearing to read "Barron B. Brown".

Barron B. Brown
Assistant General Counsel
Oklahoma Insurance Department
3625 NW 56th St., Suite 100
Oklahoma City, OK 73112
Telephone: (405) 521-2746
Facsimile: (405) 522-0125

CERTIFICATE OF MAILING

I, Barron B. Brown, 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 23rd day of October, 2019, to:

Chase Moore
323 W Gray St
Norman, OK 73069-7110

CERTIFIED MAIL NO.

9214 8902 0982 7500 0247 76

and that a copy was delivered via electronic mail to:

Licensing Division

A handwritten signature in dark ink, appearing to read "Barron B. Brown".

Barron B. Brown
Assistant General Counsel



19-0005-DIS
BBB

Date Produced: 11/04/2019

OKLAHOMA INSURANCE DEPARTMENT:

The following is the delivery information for Certified Mail™/RRE item number 9214 8902 0982 7500 0247 76. Our records indicate that this item was delivered on 10/28/2019 at 10:42 a.m. in NORMAN, OK 73069. The scanned image of the recipient information is provided below.

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Alan
William L. Latta

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Sincerely,
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