

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

FILED
JUN 23 2020
INSURANCE COMMISSIONER,
OKLAHOMA

STATE OF OKLAHOMA, ex rel. GLEN)
MULREADY, Insurance Commissioner,)
)
Petitioner,)
v.)
)
KEVIN LOMON,)
a resident producer,)
)
Respondent.)

Case No. 20-0090-DIS

AGREED ORDER

COMES NOW the State of Oklahoma, ex rel. Glen Mulready, Insurance Commissioner, and the Respondent Kevin Lomon, and agree to entry of this Order.

JURISDICTION

The parties stipulate to the following:

1. Glen Mulready 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. including the Oklahoma Producer Licensing Act, 36 O.S. § 1435.1 et seq..
2. Respondent Kevin Lomon (“Respondent”) holding license number 100236101, is licensed by the State of Oklahoma as a resident insurance producer as defined and required by 36 O.S. § 1435.2(7). His address of record is 206 West McKenzie, Pocola, Oklahoma 74902.
3. Informal disposition of this matter may be made by agreed settlement pursuant to 75 O.S. § 309 (E).

FINDINGS OF FACTS

1. On or about December 31, 2019, Farmers Insurance (“Farmers”) informed the Oklahoma Insurance Department that it had terminated Respondent’s appointment with their company for having cash premium deposits outstanding.
2. Farmers’ data analytics tool identified Respondent as having cash outstanding from 22 ACAs delayed up to 70 days. As a result, Farmers opened an audit and investigation (“Investigation”).
3. Farmers’ internal audit showed that the outstanding cash premiums were the result of Respondent crediting the insureds’ policies, but not making the corresponding cash deposits.
4. Respondent was appointed with Farmers August 25, 2017 through December 26, 2019. Respondent’s appointment agreement with Farmers was terminated for cause on December 26, 2019 after the Investigation revealed that between May 2019 and July 2019, Respondent receipted but did not deposit \$8,532.18 in customer cash premium payments.
5. During a telephone interview on August 14, 2018, Respondent was unable to account for \$8,532.18 in outstanding cash. Respondent admitted he did not deposit the cash premiums to the co-banking account and used the funds to pay personal and business expenses when he ran short of money. Respondent believed the undeposited cash premiums would be taken care of with Farmers’ folio deduction process and he stated he intended to pay the remaining money back.
6. The financial impact to Farmers is \$11,668.28 in unremitted cash premium from Respondent. A total of \$6,376.11 was recovered from Respondent through folio

deductions, and Respondent deposited \$1,679.72 in cash premium within a day of Farmer's cash count. Farmer's shows that the remaining \$3,612.45 is still outstanding.

CONCLUSIONS OF LAW

1. Respondent violated 36 O.S. §1435.13(A)(4) by being unable to account for \$8,532.18 in outstanding cash after Farmers' internal audit completed a cash count. Additionally, Respondent admitted to using the cash premiums for personal expenses.
2. Respondent violated 36 O.S. §1435.13(A)(8), showing untrustworthiness and financial irresponsibility by admitting he failed to deposit cash premiums into the co-banking account and used the funds to pay personal and business expenses when he was short on cash.

ORDER

IT IS THEREFORE ORDERED by the Insurance Commissioner and **AGREED** to by the Respondent that his producer license is hereby **SUSPENDED** for a period of six (6) months.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner and **AGREED** to by the Respondent that Respondent is **FINED** in the amount of ONE HUNDRED DOLLARS (\$100.00). The fine is to be paid within 60 days of the date of this Consent Order and made payable to the Oklahoma Insurance Department, located at 400 NE 50th Street, Oklahoma City, Oklahoma 73112. Failure to comply with a proper order of the Commissioner will result in further administrative action.

WITNESS My Hand and Official Seal this 23rd day of June 2020.



GLEN MULREADY
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

A handwritten signature in blue ink, appearing to read "Alden", written over a horizontal line.

JUDGE ALDEN
HEARING EXAMINER

AGREED TO:

A handwritten signature in black ink, appearing to read "Antuanya Debose", written over a horizontal line.

ANTUANYA "BO" DEBOSE
ASSISTANT GENERAL COUNSEL

A handwritten signature in black ink, appearing to read "Kevin Lomon", written over a horizontal line.

KEVIN LOMON
RESPONDENT

CERTIFICATE OF MAILING

I, Antuanya “Bo” DeBose, hereby certify that a true and correct copy of the above and foregoing Consent Order was mailed by first class U.S. Mail and by certified mail with postage prepaid and return receipt requested on this 23rd day of June, 2020 to:

Kevin Lomon
206 West Mckenzie
Pocola, Oklahoma 74902

CERTIFIED MAIL No:
9214 8902 0982 7500 0293 37

and that a copy was delivered to:

Courtney Khodabakhsh/Producer Licensing Division
Rick Koch/ Anti-Fraud Team



Antuanya “Bo” DeBose



20-0090-Dis
ASD

Date Produced: 06/29/2020

OKLAHOMA INSURANCE DEPARTMENT:

The following is the delivery information for Certified Mail™/RRE item number 9214 8902 0982 7500 0293 37. Our records indicate that this item was delivered on 06/25/2020 at 10:04 a.m. in POCOLA, OK 74902. The scanned image of the recipient information is provided below.

Signature of Recipient :

Kevin Lomon
PO RR 03 C-19

Address of Recipient :

206 W. MCKENZIE -

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

KEVIN LOMON
206 W MCKENZIE AVE
POCOLA OK 74902-1762

Customer Reference Number: C2127247.12100645