

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

FILED

**STATE OF OKLAHOMA, ex rel. GLEN
MULREADY, Insurance Commissioner,**

MAR 23 2020

INSURANCE COMMISSIONER
OKLAHOMA

Petitioner,

v.

Case No. 20-0122-DIS

**JULIANNA HERNANDEZ,
an applicant for reinstatement
of a resident producer license,**

Respondent.

**CONDITIONAL ADMINISTRATIVE ORDER
AND NOTICE OF RIGHT TO BE HEARD**

COMES NOW the State of Oklahoma, ex rel. Glen Mulready, Insurance Commissioner, by and through his attorney, Kayla M. Rochelle, and alleges and states as follows:

JURISDICTION

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, including the Oklahoma Insurance Producer Licensing Act, 36 O.S. §§ 1435.1 et seq.

2. Respondent Julianna Hernandez ("Respondent") was a resident insurance producer, formerly holding license #40072996, which expired on July 31, 2018. Respondent's address of record is 4401 N. MacArthur Blvd, Ste C, Warr Acres, Oklahoma 73122-5046.

ALLEGATIONS OF FACT

3. On or about January 23, 2020, Respondent applied to reinstate her resident producer license with the Oklahoma Insurance Department ("OID"). On the application form, the sixth question asks the following: "Have you or any business in which you are or were an

owner, partner, officer or director, or member or manager of a limited liability company, ever had an insurance agency contract or any other business relationship with an insurance company terminated for alleged misconduct?" Respondent answered "yes" to this question.

4. On or about October 26, 2017, the OID's Anti-Fraud Division ("OID Anti-Fraud") was assigned to investigate Respondent's conduct related to various automobile insurance policies after the OID's Producer Licensing Division ("OID Producer Licensing") was notified by Allstate that Respondent had been terminated for cause for submitting false/fraudulent documentation.

5. The investigation revealed that on or about January 11, 2017, Allstate began investigating Respondent after conducting an audit of Respondent's accounts. Allstate interviewed the field sales leader, various customers, Respondent, and Respondent's sister. Allstate's investigation concluded in May of 2017.

6. During her recorded interview with Allstate, Respondent admitted to adding two individuals, at different times, to her personal automobile insurance policy and declaring those individuals as spouses on the policy to obtain lower premiums. On both occasions, Respondent was dating and living with those individuals; however, Respondent was never married to either of them. Respondent further admitted she saved approximately \$35.00 on her policy as a result of the above conduct.

7. Respondent also admitted to adding her sister and declaring her as a spouse to her personal automobile insurance on or about April 18, 2016. Respondent stated that, while training a new staff member, she instructed this individual to add her sister as an operator; however, this individual added her sister as a spouse by mistake. Respondent further stated that she corrected the error when her policy renewed on or about March 20, 2017; however,

Allstate's system showed that Respondent canceled and rewrote the policy on or about April 24, 2017, after her interview with Allstate.

8. On or about September 26, 2017, Respondent was terminated for cause by Allstate for falsification of documents.

9. Respondent confirmed said termination and actions in an unsigned, undated document that accompanied her application for reinstatement.

ALLEGED VIOLATIONS OF LAW

10. Respondent violated 36 O.S. § 1435.13(A)(5) on two (2) separate occasions by intentionally misrepresenting two former significant others as spouses on her personal automobile policy.

11. Respondent violated 36 O.S. § 1435.13(A)(7) on three (3) separate occasions by (1) admitting to adding two former significant others as spouses to her personal automobile policy during her recorded interview with Allstate; and (2) being found to have committed an unfair insurance trade practice or fraud by adding her sister as a spouse to her personal automobile policy.

12. Respondent violated 36 O.S. § 1435.13(A)(8) on three (3) separate occasions by using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in adding two former significant others and her sister to her personal automobile policy to receive preferential rates on said policy.

13. The Insurance Commissioner may censure, suspend, revoke or refuse to issue or renew a license issued pursuant to the Oklahoma Insurance Producer Licensing Act and/or may levy a civil 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 the Oklahoma Producer Licensing Act. *See* 36 O.S. § 1435.13(A) and (D).

ORDER

IT IS THEREFORE ORDERED by the Insurance Commissioner that Respondent is **FINED EIGHT HUNDRED DOLLARS (\$800.00)** for violating 36 O.S. §§ 1435.13(A)(5) on two separate (2) occasions and (A)(7)-(8) on three separate (3) occasions. **The \$800.00 fine is to be paid within thirty (30) days of the date of this Order** and made payable to the Oklahoma Insurance Department.

IT IS FURTHER ORDERED that Respondent's application for reinstatement of her resident producer license shall be approved once payment of the above fine is received by the Oklahoma Insurance Department.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED by the Insurance Commissioner that this Order is a Conditional Order. Unless the Respondent requests a hearing with respect to the Allegations of Fact set forth above within **thirty (30) days** of the date of mailing of this Order, this Order and the penalties set forth above shall become a Final Order on the **thirty-first (31st) day** following the date of mailing this Order. A request for hearing should be in writing addressed to Kayla M. Rochelle, Oklahoma Insurance Department, Legal Division, 400 NE 50th Street, Oklahoma City, Oklahoma 73105. 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 Producer Licensing Act, 36 O.S. §§ 1435.1, et seq. and the Oklahoma Administrative Procedures Act, 75 O.S. §§ 250-323. If the 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 **19th** day of **March**, 2020.



GLEN MULREADY
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

s/ Kayla M. Rochelle
Kayla M. Rochelle, OBA #34014
Assistant General Counsel
400 NE 50th Street
Oklahoma City, OK 73105
Telephone: 405-521-4036
Facsimile: 405-522-0125
Email: Kayla.Rochelle@oid.ok.gov

CERTIFICATE OF MAILING

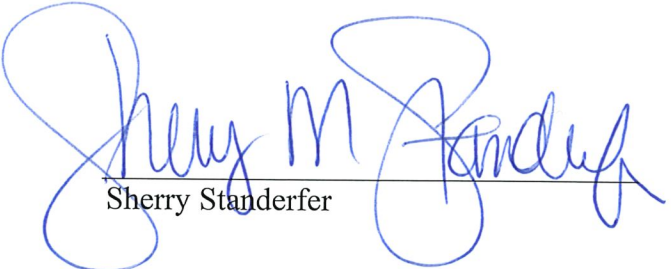
I hereby certify that a true and correct copy of the above and foregoing Conditional Administrative Order and Notice of Right to be Heard was mailed by certified mail, with postage prepaid and return receipt requested, on this 23rd day of March, 2020, to:

Julianna Hernandez
4401 N. MacArthur Blvd Ste C
Warr Acres, Oklahoma 73122-5046

CERTIFIED MAIL NO. **9214 8902 0982 7500 0281 49**

and copies was delivered to:

Anti-Fraud Division
Producer Licensing Division

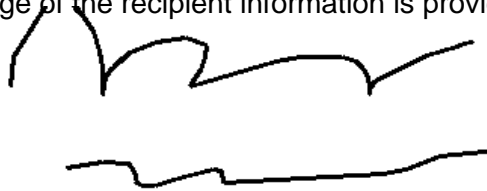

Sherry Standerfer

Date Produced: 03/30/2020

OKLAHOMA INSURANCE DEPARTMENT:

The following is the delivery information for Certified Mail™/RRE item number 9214 8902 0982 7500 0281 49. Our records indicate that this item was delivered on 03/24/2020 at 01:02 p.m. in OKLAHOMA CITY, OK 73122. The scanned image of the recipient information is provided below.

Signature of Recipient :



Address of Recipient :



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:

JULIANNA HERNANDEZ
4401 N MACARTHUR BLVD STE C
WARR ACRES OK 73122-5046

Customer Reference Number: C1996362.11383263

Return Reference Number: SMS/20-0122-DIS (KMR)/Cond Ord

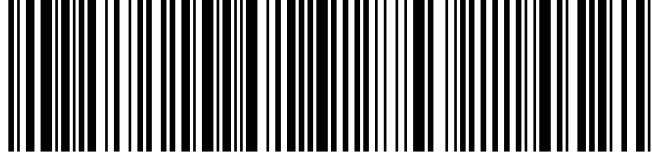
**Return address:**

OKLAHOMA INSURANCE DEPARTMENT
5 CORPORATE PLAZA
OKLAHOMA CITY, OK 73112

Recipient address:

JULIANNA HERNANDEZ
4401 N MACARTHUR BLVD STE C
WARR ACRES OK 73122-5046

MAILING DATE: 03/23/2020
DELIVERY DATE: 03/24/2020

USPS CERTIFIED MAIL

9214 8902 0982 7500 0281 49

USPS Tracking Label Number: 9214 8902 0982 7500 0281 49

USPS Tracking History	Location	Date / Time
PRE-SHIPMENT INFO SENT USPS AWAITS ITEM	OKLAHOMA CITY,OK 73105	03/23/2020 15:21
SHIPMENT RECEIVED ACCEPTANCE PENDING	OKLAHOMA CITY,OK 73118	03/23/2020 15:53
ORIGIN ACCEPTANCE	OKLAHOMA CITY,OK 73105	03/23/2020 20:21
PROCESSED THROUGH USPS FACILITY	OKLAHOMA CITY,OK 73107	03/23/2020 21:36
PROCESSED THROUGH USPS FACILITY	OKLAHOMA CITY,OK 73107	03/24/2020 03:34
DEPART USPS FACILITY	OKLAHOMA CITY,OK 73107	03/24/2020 07:53
DELIVERED LEFT WITH INDIVIDUAL	OKLAHOMA CITY,OK 73122	03/24/2020 13:02

CASE NUMBER: 20-0122-DIS

DEPARTMENT: LEGAL/KMR

SENDER: SMS

CUSTOM 4: CONDITIONAL ADMINISTRATIVE ORDER & NOTICE OF RIGHT TO BE HEARD