

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

FILED

MAY 10 2011

INSURANCE COMMISSIONER
OKLAHOMA

**STATE OF OKLAHOMA, ex rel.
JOHN D. DOAK, Insurance Commissioner,**

Petitioner,

vs.

**CANDY M. CROSS, a licensed insurance
producer,**

Respondent.

Case No. 10-1345-DIS

CONSENT ORDER

The State of Oklahoma, ex rel. John D. Doak, Insurance Commissioner, and Respondent Candy M. Cross, stipulate to the following facts and applicable laws. The parties consent to the entry of this Order.

JURISDICTION AND AUTHORITY

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

2. Candy Cross is a licensed resident insurance producer holding license 96196. Her address of record with the Oklahoma Insurance Department is P.O. Box 791, Okmulgee, Oklahoma 74447.

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. Informal disposition of this matter may be made by consent order. 75 O.S. § 309(E).

STIPULATION OF FACTS

1. The Oklahoma Insurance Department ("Department") received a complaint on June 22, 2010 from Roma Presley. Presley had purchased a homeowner's insurance policy with American Modern Home Insurance Company (AMHI) through Candy Cross at Cross Insurance Agency. AMHI policy #0046401397 was issued with an effective date of June 22, 2009.

2. Presley made monthly premium payments of \$53.00 to Cross for the insurance. Presley received a receipt for each monthly payment. Cross forwarded the payments to insurance broker Graham Rogers until October 2009. There is evidence that Cross thereafter failed to forward Presley's monthly payments to Graham Rogers.

3. Presley's home was damaged from a storm on May 11, 2010. Presley contacted Cross and made a claim for damages. AMHI adjuster Darryl Masoner informed Presley on May 28, 2010 that her claim was denied because the policy was cancelled on October 16, 2009 for nonpayment of premium.

4. Department investigators Eddie Kirkland and Amos Farr interviewed Cross at her office located at 504 West 4th Street, Okmulgee, Oklahoma on August 23, 2010 regarding the Presley complaint. Cross admitted she accepted Presley's monthly payments and may not have forwarded some payments to Graham Rogers due to oversight.

5. The Department received a complaint on August 31, 2010 from Tammy Wesley. Ms. Wesley complained she had purchased automobile insurance with Hallmark Insurance Company through Candy Cross at Cross Insurance Agency. Wesley was issued policy #035-634054-02. She thereafter made monthly premium payments to Cross.

6. Wesley stated that she was in an automobile accident on August 19, 2010 and reported the accident to Candy Cross. Cross informed Wesley that Wesley's auto insurance with Hallmark was cancelled due to nonpayment of premium. Wesley informed Cross that she had paid her premium on July 27, 2010 and had retained the receipt of the payment.

7. Wesley made numerous telephone calls to Cross and Hallmark from August 19, 2010 until August 30, 2010 regarding her insurance claim. Hallmark insurance adjuster, Brendan Heatherly, responded on August 26, 2010 that he would call Cross and get back with Wesley. Wesley provided Heatherly with copies of all the payment receipts made to Cross. Heatherly later informed Wesley on August 30, 2010 that the policy was cancelled because Cross failed to upload the payment information to Hallmark. Hallmark reinstated Wesley's insurance and provided coverage for the accident.

8. Cross was telephonically interviewed by Department investigator Eddie Kirkland on October 6, 2010 based on Wesley's complaint. Cross acknowledged that she did receive Wesley's payment on July 27 and may have failed to upload the payment information to Hallmark.

CONCLUSIONS OF LAW

Cross 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; Cross violated 36 O.S. § 1435.13(A)(8) by demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state.

ORDER

IT IS THEREFORE ORDERED by the Insurance Commissioner and agreed to by Cross that a **FIVE HUNDRED DOLLAR (\$500.00) FINE** is imposed against Cross and shall be paid to the Oklahoma Insurance Department. The payment, in the form of a cashier's check or money order, shall reference Cross' case number 10-1345-DIS. Cross also agrees that she shall **SURRENDER** her producer license and return the completed surrender form, her producer license, and payment of the fine concurrently with this Consent Order, to the attention of Julie Meaders, Assistant General Counsel, within ten (10) days of receipt

Cross agrees that she is completely barred from engaging in the business of insurance for a period of one year. Thereafter, she may make application for a producer license. Granting approval of Cross' future application is within the discretion of the Insurance Commissioner, pursuant to the Oklahoma Producer Licensing Act, 36 O.S. § 1435.13(A). Petitioner agrees not to seek criminal prosecution against Cross.

WITNESS My Hand and Official Seal on this 9th day of May, 2011.

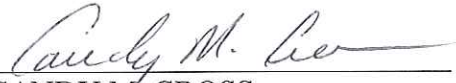


JOHN D. DOAK
INSURANCE COMMISSIONER


LEAMON FREEMAN
HEARING EXAMINER

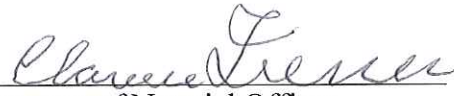
VERIFICATION AND CONSENT

I, Candy M. Cross, state that I have read this Consent Order. The contents and facts set forth in the order are true to the best of my knowledge. I consent to the entry of the Order by the Insurance Commissioner and I waive my right to appeal this Order.


CANDY M. CROSS

STATE OF OKLAHOMA
COUNTY OF _____

This instrument was acknowledged before me on 05-3-11 by
CANDY M. CROSS


Signature of Notarial Officer

Seal

Title

My commissions expires:

1-10-2012

APPROVED:


Julie Meaders
Assistant General Counsel

CERTIFICATE OF MAILING

I, Julie Meaders, hereby certify that a true and correct copy of the above and foregoing Consent Order was mailed on this 10th day of May, 2011, to:

Candy M. Cross
P.O. Box 791
Okmulgee, OK 74447

and that a copy was delivered to:

Licensing Division

Investigations Division



Julie Meaders