

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

FILED

STATE OF OKLAHOMA, ex rel. JOHN) SEP 29 2016
DOAK, Insurance Commissioner,) INSURANCE COMMISSIONER
Petitioner,) OKLAHOMA
v.) Case No. 16-0585-DIS
SHANNA MARIE FARNSWORTH, an)
applicant for renewal of a resident insurance)
producer license,)
Respondent.)

CONDITIONAL ADMINISTRATIVE ORDER
AND NOTICE OF RIGHT TO BE HEARD

COMES NOW the State of Oklahoma, ex rel. John Doak, Insurance Commissioner, by and through his counsel, Barron B. Brown, and alleges and states as follows:

JURISDICTION

1. John 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.

2. Shanna Marie Farnsworth (“Respondent”) is an applicant for renewal of a resident insurance producer license in the State of Oklahoma. Her mailing address of record with the Oklahoma Insurance Department (“OID”) is [REDACTED]

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).

ALLEGATIONS OF FACT

1. On or about June 10, 2016, Respondent informed the OID's Licensing Division ("Licensing") by telephone that she had submitted a false insurance application for automobile coverage on behalf of her daughter to Travelers Insurance Company ("Travelers"). Specifically, Respondent stated that her daughter had been involved in an automobile accident on or about June 3, 2016, for which her daughter may have been at-fault, and Respondent had intentionally omitted said accident in her daughter's Traveler's coverage application. Following Respondent's telephone conversation with Licensing, she submitted an explanation letter detailing the events surrounding the false insurance application. A copy of this explanation letter is attached as Petitioner's Exhibit A.

2. On or about July 7, 2016, OID Anti-Fraud Division Investigator Robert Lee ("Lee") interviewed Respondent at the OID concerning this matter. Respondent confirmed to Lee that she had, in fact, submitted the false insurance application with Travelers on behalf of her daughter as stated in both Allegations of Fact #1 and Petitioner's Exhibit A.

3. In explaining her rationale for submitting the false application, Respondent told Lee that she wanted her daughter (who was still covered on Respondent's automobile insurance policy at the time of the accident) to have her own automobile insurance policy, due to concerns that her daughter's premiums would be too high if she had an at-fault accident listed on her driving record. Respondent also communicated to Lee that she had cancelled her daughter's Travelers policy at issue on or about June 7, 2016.

ALLEGED VIOLATIONS OF LAW

1. Respondent violated 36 O.S. § 1435.13(A)(8); 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 FIVE HUNDRED DOLLARS (\$500.00)** for a violation of 36 O.S. § 1435.13(A)(8). **The \$500.00 fine is to be paid within thirty (30) days** made payable to the Oklahoma Insurance Department. The \$500.00 civil fine shall be paid by money order or cashier's check. Respondent's application for a renewal of a resident insurance producer license may be granted upon receipt of payment of the fine and reporting of the administrative action. Failure to pay the civil fine or request a hearing within thirty (30) days 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 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 day following the date of mailing 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 Insurance Code and 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 29th day of September, 2016.



JOHN DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

Barron B. Brown

Barron B. Brown
Assistant General Counsel
Oklahoma Insurance Department
3625 NW 56th St., Suite 100
Oklahoma City, OK 73112

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 29th day of September, 2016, to:

Shanna Marie Farnsworth
[REDACTED]

CERTIFIED MAIL NO. 7016 0910 0000 5833 5800

and a copy was delivered to:

Licensing Division

Anti-Fraud Division

Barron B. Brown

Barron B. Brown
Assistant General Counsel

RECEIVED
FRONT DESK

JUN 13 2016

OKLAHOMA INSURANCE DEPT.

SHANNA FARNSWORTH

PETITIONER'S
EXHIBIT

A

To: Insurance Commission

Per your request regarding our conversation yesterday I am sending you this signed statement of what occurred on June 3rd 2016 in regards to a situation where I as a licensed agent did not abide by the code of ethics. So on June 3rd around 1:30 pm I received a call from my daughter Brooke South and she informed me that she had been in an accident the night before. My first concern was anyone hurt including her? She informed me that there were no injuries and the damage to the other vehicle was minimal. Then we get into the conversation of were you at fault? She said "I'm not sure because the road conditions were slick due to the rain and they performed a sobriety test on the other driver and I didn't get a ticket." I asked her if she had talked to Charlotte Barnett because she was house sitting for her while she was out of town. She said "yes I told her because my vehicle wasn't going to be at the house due to the headlight being smashed and not able to be driven at night." So I asked where did you hit the vehicle, and she said "the rear and rear quarter panel." She had clipped the passenger back side of the vehicle. At this time I was in a panic and extremely upset just for the fact that if she is deemed at fault it will be on her record for 3 years. She is currently on my policy as a driver. Not thinking clearly I thought the best thing to do was to get a policy for just her before anything showed up on her record. So yes, I know that this was not the right thing to do and I am sorry. She is fixing to start college full time and work and possibly move out closer to school. I thought OMG there is no way that she is going to be able to afford insurance with an at fault on her record. It's already high as it is.

So here is the part where I would like to turn myself in for doing something I shouldn't have. I texted my boss Charlotte Barnett at 3:53pm June 3rd 2016 to ask her if I could write Brooke South her own policy, that I didn't think that it would show up on her record for a few days, maybe weeks. I waited a bit and she never responded, so I went to my manager Amber Duncan (Charlotte Barnett is her boss as well). I said "hey Brooke had a fender bender and I texted Charlotte and haven't got a response so do you think it would be okay to write her a policy before anything shows on her record? She said "yes" and I said "are you sure?" She said "ya do it before anything shows up." I said "thank you." Went to my office and quoted every company to see what the rate would be on her own. Travelers was the best rate. So I ran all the reports and nothing showed up but I did not disclose to the company that she had any accidents. That was obviously very wrong. So in the midst of all of this Amber Duncan came to me and said "I know you are busy but can you check and see if Peggy Ford (the owner of the agency) had bound that commercial policy for Shiel?" She said "I gave it to her earlier and it's almost the end of the day and it needs to be bound and I don't think she has done anything with it." Earlier that day the insured came in to sign the application. I didn't notice there were two applications for her to sign till I went back to Peggy Ford's office and asked if she had gotten Elizabeth Shiel /Ted Miller done. She said "it's here somewhere and it needs to be bound with the company (Graham Rogers) Erin I think and the name needs be changed and Ted Millers name taken off." I said "I will take care of it for you." It was left upon Amber Duncan, Lora Davis and I to make sure the commercial business got done while Charlotte Barnett was gone and that she really didn't want Peggy Ford doing very much because she didn't want it to get all screwed up while she was gone. So Peggy Ford handed me the file. I said "oh no I only got one signature! Crap!" She said "just forge the insured's signature it's no big deal we do it all the time." Thought to myself that's really crossing the line." I took it up to the front and told Amber Duncan and Lora Davis "she didn't bind it and she wants me to forge the insureds signature and I didn't feel comfortable with this and said I'm not signing this as the agent." I proceeded to do what I was told. I forged the signature the best that I could and then went back to her office and had her sign it as the agent. I then sent it via email to the company to bind coverage. I then looked at my phone and still hadn't heard anything from Charlotte Barnett. In the meantime Lora Davis came into my office and sat down. She said are you able to

do it? I looked at my cell phone again and said to her I haven't heard from Charlotte Barnett, but Amber Duncan said it was ok. She said "cool." Then we had a short conversation about facebook and that she was getting back on it and only was gonna have only 50 close friends and family on there and said that she was going to send me a friend request when she does. I said "awh....thats sweet....I feel special now."

So back to finishing up Brooke's policy. I bound it, paid the down payment, and printed off everything for Brooke to sign. I got a text from Charlotte at 5:17pm June 3rd 2016 asking "what happened?" I responded at 5:27pm and said Long story...it was an accident. I called my insurance and no one has called anything in. Her car is just liability and that is all I need for her. No one was hurt for sure I know. She needs to be on her own policy. I waited a bit to see what she was going to say and no response so I went home. At 7:56pm that evening June 3rd 2016 I finally got a response from her saying I don't want you to lie to the company so just have her go with your agent or progressive direct. I responded at 8:32 pm and said that I didn't lie. I got more of the story. At this time I had spoken to my daughter and she told me everything that happened and I thought well maybe this will end up being a 50/50 deal and she will not get an at fault. I told Charlotte in the same text that apparently the other party was drinking and nothing has been turned in and there probably will not be and there wasn't hardly any damage. Brooke didn't get a ticket or anything. She needed her own policy anyhow and I got permission to write it (from Amber Duncan) since I didn't hear back from you. I knew you was busy and didn't really want to bother you while on vacation. Hope you had fun! We held down the fort! Hopefully to your satisfaction ;). I never heard a word back from her till Monday June 6th 2016 at 3:22pm.

I have fibromyalgia and it had flared up over the weekend and was too sick to make it to work on Monday June 6th, 2016. That morning I texted my manager Amber Duncan that I was sick and all that and told her of some stuff that might happen regarding some policies. I also mentioned that the deal with Brooke might come up with Charlotte Barnett. I copied and pasted all of the text messages between Charlotte Barnett and I from Friday June 3rd 2016. I told Amber Duncan in that text that Charlotte Barnett never responded after our last text message regarding if it was ok or not to write the policy for Brooke or not from Friday June 3rd 2016. I said "I have no clue if she is ok with it or not." Her response was "I'm not sure, but I will talk with her about it today hope you feel better soon." ☺ So Amber Duncan and Lora Davis both claim I told them that Charlotte said it was ok to write it on Friday June 3rd 2016. If that was correct, which it is not....I told both of them that I hadn't heard back from Charlotte Barnett and that is why I asked Amber Duncan (my manager). So like I was saying her response to that should have been you told me Charlotte said it was OK on Friday.....not "I'm not sure?" It doesn't add up to me? She probably said that because I told her that I hadn't heard back from Charlotte Barnett, so she along with myself did not know if it was ok with her (Charlotte Barnett) or not even up to Monday morning June 6th, 2016.

So the next contact was regarding an email from Travelers stating our agency has been put on a rehabilitation plan for production from 03/06/2016 to 05/22/2016. So basically they wanted us to write more business from people with higher than minimum limits and physical damage on at least one vehicle. So the next text I got was from Charlotte Barnett saying "I was on unpaid suspension pending further investigation. Please do not access any of our files or companies until further notice. Your alarm code has been deactivated. Charlotte Barnett" and that was at 3:22 pm June 6th 2016. Then another text right after asking me to confirm her text. I called balling (crying) because I had gotten permission from my manager Amber Duncan to write the policy for Brooke. I told her this and she said that Amber Duncan told her she thought I had gotten permission from me and I said "No! I told her that I had not heard from you!" I also mentioned that

Peggy Ford had me forge an insured's signature on an application Friday June 3rd 2016 and she said "I'm not worried about that, we are allowed to do that."

From that morning until I got the text I am not sure what occurred except for that both Amber Duncan and Lora Davis said that I told them that (Charlotte Barnett) told me it was ok to write. This is not true. I told Charlotte Barnett that is not what I said. So basically in a nutshell I was thrown under the bus by my manager Amber Duncan to save her own butt for saying it was ok to write it. She probably was scared of what Charlotte would do since she didn't have permission from Charlotte Barnett, but has the role of manager. Instead of admitting it she denied it. Amber Duncan and myself walk on eggshells around Charlotte Barnett. You never know whether she is in a bad mood or not. I will just say we just stay clear of her when she is in a bad mood. I'm not sure the motive for Lora Davis going along with this except for the fact that if she had stood up for me against Amber Duncan then she would probably be fired. Charlotte would believe Amber Duncan over Lora Davis any day. It is very well known that she is not that good at her job. She misfiles all the time and does the deposit right about half the time. I admit I complain about this along with them because I have problems finding files all the time along with everyone else. The next communication was Charlotte Barnett asking me the status of a few new business policies I had been working on. I responded with what she needed to know which Amber Duncan and Lora Davis knew the answers to because this insured had an appointment with me Friday June 3rd at 1:30pm and was a no show. I expressed to both of them that I was bummed out because this was a big account. 4 policies including a million dollar house. Mind you that I am salary and get paid 0% commission. I work as if I was getting paid commission. So I texted Charlotte Barnett and asked if I need to look for another job? I'm in the dark at 3:16pm on June 7th 2016. No response. I finally said at 5:36pm June 7th 2016 that I was going to call the insurance commission and tell them what happened basically and what I did regarding the policy for Brooke South and accept my punishment. The weight on my shoulders is too much.

I got a response that evening June 7th 2016 at 6:18pm asking if I could come into the office tomorrow at 1:00pm? June 8th 2016. I responded "yes" and I showed up for this meeting which included Peggy Ford, Charlotte Barnett, Amber Duncan, Lora Davis and myself. I thought that I was gonna get to come back to work. So the meeting started with Peggy asking me to tell my side of the story so I did and almost immediately when I said I asked Amber Duncan since I had not heard back from Charlotte Barnett and she said it was ok and Lora Davis had asked me about it and I told her that I hadn't heard back from Charlotte Barnett and Amber Duncan said it was ok, Lora Davis started yelling and cussing me out and telling me I was a liar. Of course I yelled back and defended myself. She left and Amber Duncan said the same thing....that I told her that Charlotte Barnett said it was ok. I defended myself and then "asked if Charlotte had told me it was ok, then why would I have asked Amber Duncan?" Amber Duncan and Charlotte Barnett responded differently. One said I am or she is your boss and one said I am or she is your manager. I am not sure who said which because they both said at the same time. I said yes and that I why I asked you (Amber Duncan) when I didn't hear back from Charlotte Barnett. This was going no where. Their word against mine kind of deal. Deny, deny, deny....So in the meeting I was conveniently blamed for the rehabilitation from Travelers, but was told that they did not know about the deal with Brooke Souths policy and that they were not going to tell them. I asked what the heck did I do? Charlotte said I wrote policies that didn't meet their underwriting guidelines. I said "news to me." Also if they didn't meet underwriting guides why didn't they get set up for cancellation?" Charlotte Barnett said they were just letting it ride." I said "ok that makes sense (sarcastically)" They also said that they were not going to call the Insurance Commissioner and I said "I don't care I'm calling them myself." I brought up the deal about forging insured's signatures and Charlotte Barnett said "we are not worried about that, we have permission from "the companies" to do that." "Just not on UM forms and Terrorism forms." I just said oh....ok. So Peggy Ford says "it will never be the same in the office due to her feeling like we would not get along and so for that reason she said that she was going to have to let me go." I just

said "I don't have a problem, I can look past everything, It's not going to bother me." She just insisted that it wasn't going to be a pleasant working environment. I just said not on my part, but ok. She said "I hope you understand our side?" I said I guess?" Not that anything was an option at this time. So I packed up all of my belongings and Peggy Ford came and helped me a bit and said she was sorry and all that. I left and came back because I forgot to ask about my last paycheck. I was positive I had sick leave built up and maybe a day of vacation. That really didn't go as I thought, but we will see what I get in the mail. So after thinking it over I felt that if they are not going to tell Travelers what I did, and if I was the reason for the agency rehabilitation then I should contact Travelers and tell them what I did and apologize and tell them I have turned myself into the insurance commission and that I am now terminated from Ford Insurance Agency and tell them I wasn't aware of the "other guidelines regarding all these policies I wrote incorrectly and that I was apparently the whole reason for the rehabilitation and maybe now that I am gone it could be lifted from the agency. I was told by Charlotte Barnett at 4:21pm on June 8th "Do not call Travelers I am taking care of it. It is not your concern and you do not represent our agency. LET IT GO." I responded "I did when I did what I did with Brookes policy and if I don't lose my license (which I'm willing to risk for the truth) so that should tell you something. Then in the future I may work for a company that represents Travelers and I don't want any issue arising. I DID NOT LIE TO YOU OR AMBER OR LORA AND SAY YOU GAVE ME PERMISSION!"

On Thursday June 9th at 1:46pm I have a missed call from the office. No voicemail. I called back and Peggy answered and just says "why didn't you ask me?" Well I told her that I didn't want to bother her with it." Yes, I just lost my job, but I'm not an outright rude person and take in consideration people's feeling. See we were told to babysit Peggy Ford and everything she did and make sure she didn't mess anything up. I immediately texted Charlotte Barnett and said "I just got a call from Peggy Ford on why I didn't ask her to write Brooke South's policy?" My text to her said "Well first of all yes she is the owner, but I answer or answered to you first and then Amber Duncan 2nd. It's always been that way.

Trust me none of us want to deal with the wrath of Charlotte Barnett. I would've got in so much trouble if I didn't ask you first. So that's why. I didn't want to hurt her feelings just now and tell her you didn't want her doing stuff while you were gone and that we needed to watch her and make sure things got done right. If you want to tell her that's why I didn't ask her.....be my guest. That's on you guys. Peggy Ford writes out our checks and I go to her about that and that only if need be. I didn't go to her and ask her about splitting the policy fees? It has ALWAYS been ask Charlotte. Except for the unemployment thing that I had asked about.

Honestly Peggy Ford had just earlier had me forge and insured's signature, she would've said yes in a heartbeat. I went to the major decision makers first. Charlotte Barnett tells Peggy Ford what to do and not to do. I will bet that Peggy Ford got chewed out for having me (an employee) forge and insured's signature for her, especially since I had just got let go. Charlotte Barnett's statement about having permission from the "companies" to forge insured's signatures was a lie. None of us have permission to do that. I feel that they are trying to hide something from Travelers and that I am not actually the reason for the rehabilitation because I'm not the only agent that wrote policies with them. Also they don't want me calling the insurance commission because the "forging insured's signatures" will probably come up.

In closing I know this is probably more information than needed but this letter will be needed in a different situation to defend myself and also tell the whole truth. I want to say the most important thing is that I am truly sorry for what I did. I know it was not the right thing to do. I will never do it again and that this is not the kind of agent I am. I accept any and all punishment for my doings. I forgot to mention

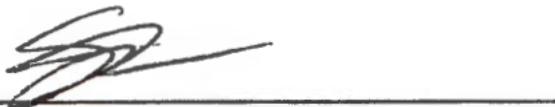
that I sent my daughter up to the agency to cancel the Travelers policy flat. She remains on my policy and she was in fact deemed at fault.

Sincerely,

Shanna Farnsworth

License # 124431

Signature



Printed name

Shanna Farnsworth

Dated:

June 13th, 2016

State of Oklahoma

County of Oklahoma

I certify this to be the original document on this 13 day
of June, 2016

Notary Tarina M. Rooks



My commission expires 01-16-2020