

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

FILED
NOV 13 2024
INSURANCE COMMISSIONER
OKLAHOMA

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

Petitioner,

v.

SARAH ELIZABETH SELLERS,
a resident producer,

Respondent.

Case No. 24-0467-DIS

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 counsel, Antuanya “Bo” DeBose, and states as follows:

JURISDICTION

1. Glen Mulready is the Insurance Commissioner of the State of Oklahoma and, as such, is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101-7401, including the Oklahoma Producer Licensing Act, 36 O.S. § 1435.1 et seq..

2. Sarah Elizabeth Sellers, also known as Sarah Elizabeth Williams (“Respondent”), holding license number 3001110224, was licensed by the State of Oklahoma as a resident insurance producer as defined and required by 36 O.S. § 1435.2(7). Her address of record is [REDACTED]
[REDACTED]

3. The Insurance Commissioner has jurisdiction over the subject matter raised in this dispute and may issue penalties pursuant to 36 O.S. § 1435.13(A) and (D).

4. Pursuant to 36 O.S. § 1435.13(D), in addition to or in lieu of any applicable denial, probation, censure, suspension or revocation of a license, a person may, after opportunity for hearing, be subject to a civil fine of not more than One Thousand Dollars (\$1,000.00) for each occurrence. The penalty may be enforced in the same manner in which civil judgments may be enforced.

5. If the Respondent requests a hearing in writing in this matter, pursuant to OAC 365:1-7-1, the Insurance Commissioner, pursuant to 36 O.S. § 319, will appoint an independent hearing examiner who shall sit as a quasi-judicial officer and preside over the hearing requested by the Respondent.

FINDINGS OF FACT

1. On or about April 5, 2023, the Oklahoma Insurance Department (“OID”) received a termination for cause notification from Farmers Insurance (“Farmers”) regarding the Respondent. The Respondent’s appointment was terminated because she improperly applied defensive driver discounts to policies without obtaining proper documentation and used her personal Google email to sign policy documents for two (2) insureds. OID assigned investigator April Moore (“Investigator Moore”) to the case.

2. Farmers initiated an investigation after receiving notification that the Respondent’s employer, the Dawnita Pierce Agency, had a high volume of unsupported defensive driver discounts. It was found that the Respondent applied the defensive driver discount to four (4) policies without submitting the supporting documentation. According to Farmers, the defensive driver discount may only be applied to a policy when the insured completes a defensive driving course, and a certificate is obtained.

3. Additionally, it was discovered that the Respondent signed policy documents for two (2) insureds utilizing her personal Google email address.

4. On June 17, 2024, Investigator Moore interviewed the Respondent in person. The Respondent reported she was trained to accept verbal confirmation from insureds for the defensive driver discount and that she did not know she was supposed to obtain documentation. The Respondent also confirmed her personal email address was used to sign policy documents for two (2) insureds and stated she had permission from the insureds to do so.

5. Pursuant to the provisions of 36 O.S. §1435.13, 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 or may levy a civil penalty in accordance with subsection D of this section or any combination of actions, for any one or more of the following causes:

- a. Intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance;
- b. Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere;

6. Pursuant to 36 O.S. §1435.13(D), in addition to or in lieu of any applicable denial, probation, censure, suspension or revocation of a license, a person may, after opportunity for hearing, be subject to a civil fine of not more than One Thousand Dollars (\$1,000.00) for each occurrence. Said penalty may be enforced in the same manner in which civil judgments may be enforced.

7. Pursuant to 36 O.S. §1435.13(F), the Insurance Commissioner shall retain the authority to enforce the provisions of and impose any penalty or remedy authorized by the Oklahoma Producer Licensing Act and this title against any person who is under investigation for or charged with a violation of the Oklahoma Producer Licensing Act or this title even if the person's license or registration has been surrendered or has lapsed by operation of law.

CONCLUSIONS OF LAW

8. The Respondent violated 36 O.S. §1435.13(A)(5) and 36 O.S. §1435.13(A)(8) by misrepresenting the terms of an insurance application and applying discounts to four (4) policies that were not eligible for the discounts.

ORDER

IT IS THEREFORE ORDERED that the Respondent is **CENSURED** and **FINED** One Thousand Dollars (**\$1,000.00**). The fine shall be paid within thirty (30) days of the date of this Conditional Administrative Order and made payable to the Oklahoma Insurance Department. The fine shall be sent to the Oklahoma Insurance Department located at 400 NE 50th Street, Oklahoma City, Oklahoma 73105. Failure to comply with a proper order of the Commissioner will 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 Findings of Fact set forth above within thirty (30) days of the date of this Conditional Order, the penalties set forth above will become a Final Order on the 31st day following the date of mailing this Order. A request for hearing should be in writing and addressed to Antuanya "Bo" DeBose, 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 and must be served on the Oklahoma Insurance Department within the thirty (30) days allotted. The proceedings on such requested hearing will be conducted in accordance with the Oklahoma Insurance Code, 36 O.S. §§ 101 et seq., and the Oklahoma Administrative Procedures Act, 75 O.S. §§ 250 through 324. If the Respondent serves a timely request for hearing on the Oklahoma Insurance Department, this Conditional Order will act as a notice of the matters to be reviewed at the hearing and the Findings of Fact, Conclusions 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 13th day of November 2024.



GLEN MULREADY
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

AS DeBose

Antuanya "Bo" DeBose, #32765
Assistant General Counsel
Oklahoma Insurance Department
400 NE 50th Street
Oklahoma City, Oklahoma, 73105
Tel. (405) 522-4805
Fax (405) 522-0125
Bo.debose@oid.ok.gov

CERTIFICATE OF MAILING

I hereby certify that a true and correct copy of the above and foregoing *Conditional Order* was mailed by regular mail and by certified mail, with postage prepaid and return receipt requested, on this 13th day of November 2024, to:

Sarah Elizabeth Sellers



License_admin@farmersinsurance.com

Respondent's Mailing and Resident Address

CERTIFIED MAIL NO.
9214 8902 0982 7500 0667 07

and that a copy was delivered to:

Licensing and Anti-Fraud Division

A handwritten signature in blue ink, reading "AS DeBose".

Antuanya "Bo" DeBose