

BEFORE THE INSURANCE COMMISSIONER OF THE  
STATE OF OKLAHOMA

**FILED**

NOV 18 2008

INSURANCE COMMISSIONER  
OKLAHOMA

STATE OF OKLAHOMA, ex rel. KIM )  
HOLLAND, Insurance Commissioner, )  
 )  
Petitioner, )  
 )  
v. )  
 )  
VIRGINIA GUERRERO, a licensed Oklahoma )  
Insurance Producer, )  
 )  
Respondent. )

Case No. 08-1377-DIS

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

COMES NOW the State of Oklahoma, ex rel. Kim Holland, Insurance Commissioner, by and through her attorney, Julie Delluomo, and alleges and states as follows:

**JURISDICTION**

1. Kim Holland 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. 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).

2. Respondent is licensed by the State of Oklahoma as a resident insurance producer holding license number 40017212.

## ALLEGATIONS OF FACT

1. Respondent received her producer license on December 13, 2007 and began working at Senior Solutions in Oklahoma City.

2. Respondent worked an Elder Care Workshop sponsored by Senior Solutions for veterans and widows of veterans on May 24, 2008 at the Prague, Oklahoma library. Respondent and her co-worker, Ginny Lynn Curtis, another licensed Oklahoma producer, answered questions by attendees on behalf of Senior Solutions.

3. Blanchie Longest attended the workshop. Longest completed a questionnaire asking for additional information in order to receive the Aid and Attendance VA benefit. Respondent and Curtis telephoned Longest on May 27, 2008 and later that day met Longest at the Firelake Casino in Shawnee, Oklahoma.

4. Longest disclosed to Respondent and Curtis that Longest owned a home and lived on forty acres. She further disclosed she had three certificates of deposit, a money market account and a checking account exceeding a total of \$250,000.00 at the First United Bank in Shawnee. Longest was earning approximately \$1,000.00 a month in interest from her certificates of deposit. Respondent and Guerrero recommended Longest reduce these assets because assets and income could not exceed \$40,000.00 in order to qualify for the VA benefit.

5. Respondent, Curtis and Longest then left the casino and went directly to the First United Bank in Shawnee. They met with Kay Thompson, a customer service representative at the bank, and Curtis explained to Thompson that Longest needed to cash out the three certificates of deposit and withdraw \$25,000.00 from her money market account in order for Longest to qualify for VA benefits.

6. Curtis explained to Thompson that the money would be moved to an annuity. Respondent completed one annuity application as the writing agent. Curtis completed one annuity application as the writing agent. The certificates of deposit had not reached their maturity date and Longest suffered a loss totaling \$1,566.40. The money was divided into two equal checks made payable to Lincoln Financial, each totaling \$109,839.92, for two separate annuity contracts.

7. As Respondent, Curtis and Longest were leaving the bank, Longest stated, "Isn't my money staying here?" Thompson attempted to explain to Longest that she had closed her accounts and that the money was going into an annuity. Longest did not understand the transaction.

8. Longest returned to the bank on May 29, 2008, accompanied by her nieces, Peggy Jett and Clara Thompson, requesting assistance to get her money back from Lincoln Financial. Michelle Sigmon, an executive assistant at the bank, prepared a letter to Lincoln Financial on behalf of Longest requesting return of the money.

9. Lincoln Financial Group rescinded the two annuities and returned Longest's money with two checks, each in the amount of \$109,839.92, made to the order of First United Bank on behalf of Longest.

### **CONCLUSIONS OF LAW**

1. Respondent has violated 36 O.S. § 1435.13(A)(8) by using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state by using the VA benefit

as a pretext to sell an annuity to a senior citizen who did not understand the basic features of annuity contracts.

**ORDER**

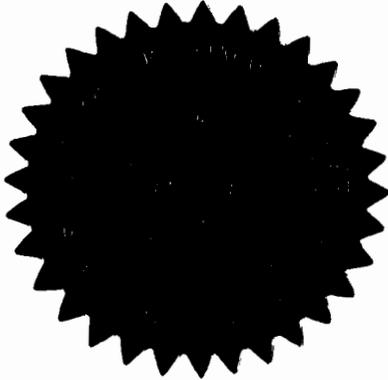
**IT IS THEREFORE ORDERED, ADJUDGED AND DECREED** by the Insurance Commissioner, subject to the following paragraph, that the Respondent violated 36 O.S. § 1435.13(A) and as a result **Respondent is CENSURED AND FINED** in the amount of **SEVEN HUNDRED and FIFTY DOLLARS (\$750.00)**. **Fine to be paid within thirty (30) days of receipt of this Order. FURTHER, Respondent is placed on PROBATION until her license renewal date of December 31, 2009.**

**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 Julie Delluomo, Oklahoma Insurance Department, Legal Division, Post Office Box 53408, Oklahoma City, Oklahoma 73152-3408. 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 18<sup>th</sup> day of November 2008.



KIM HOLLAND  
INSURANCE COMMISSIONER  
STATE OF OKLAHOMA

  
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Julie Dellouomo

Assistant General Counsel  
P.O. Box 53408  
Oklahoma City, Oklahoma 73152  
Telephone: (405) 521-2746  
Facsimile: (405) 522-0125

**CERTIFICATE OF MAILING**

I, Julie Delluomo, 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 18<sup>th</sup> day of November, 2008, to:

Virginia Guerrero  
5007 Buddy Lane  
Oklahoma City, OK 73119

**CERTIFIED MAIL NO. 7006 0810 0002 6163 6491**

and a copy was delivered to:

Leah Scoles  
Agents Licensing Division

and to:

Don Smalling  
Anti-Fraud Division

  
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Julie Delluomo