

**FILED**

FEB - 5 2009

INSURANCE COMMISSIONER  
OKLAHOMA

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

**STATE OF OKLAHOMA, ex rel. KIM  
HOLLAND, Insurance Commissioner,  
Petitioner,** )  
 )  
 )  
**v.** )  
 )  
 )  
**EDWARD EUGENE BOWMAN,** )  
**an Oklahoma Limited Lines Producer,** )  
**Respondent.** )

**Case No. 09-0106-DIS**

**EMERGENCY REVOCATION 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. Karl F. Kramer is the Deputy Insurance Commissioner of the State of Oklahoma and as such, by order of the Insurance Commissioner, is authorized to issue orders and take actions administering and enforcing the provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101 *et seq.*, including the authority to issue orders relating to The Oklahoma Producer Licensing Act.

3. Respondent Edward Bowman (Bowman) is licensed by the State of Oklahoma as a resident limited lines insurance producer; license number 168892.

## ALLEGATIONS OF FACT

1. Respondent Bowman sold crop insurance to farmers through Shur Crop Agency in Garber, Oklahoma. Crop insurance requires the farmers to report what crops they planted and the number of acres planted after the crops are planted in an acreage report to their insurance agent. Failure to provide the acreage report voids the policy. Premiums are not assessed until the harvest date. If a loss occurs and the federal government's crop reinsurance pays, premiums are then deducted from any claim payment. If a claim is not filed, the insured then pays the premium.

2. Bowman sold crop insurance through Rain and Hail Insurance Company. Bowman's customers attempted to notify him of wheat claims for crop year 2007 by leaving voice messages. Bowman would not return their calls. Bowman's customers stated they supplied him with their acreage reports as required. Bowman failed to forward the reports to the insurer Rain and Hail Insurance Company.

3. The customers then contacted Rain and Hail Insurance Company to report their claims. The company could not locate valid policies because it had not received the acreage reports. When it became apparent to Rain and Hail Insurance Company that approximately one hundred (100) farmers had supplied Bowman with their acreage reports and that Bowman had failed to forward the reports to the insurer, Rain and Hail sent approximately twenty (20) adjusters to Oklahoma and made the decision to pay fifty-eight (58) crop loss claims, totaling over Two Hundred and Thirty Thousand Dollars and no/100 (\$230,000.00). Rain and Hail was not reimbursed by the federal crop assistance program because the policies were not valid.

4. Rain and Hail Insurance Company cancelled Bowman's agency contract on August 8, 2007. Rain and Hail Insurance filed Case No. CJ-08-51 in Noble County against Bowman d/b/a Shur Crop Insurance for damages in the amount of Two Hundred Thirty Two Thousand Eight Hundred Three Dollars and no/100 (\$232,803.00) on October 7, 2008. A default judgment was entered against Bowman on behalf of Rain and Hail Insurance on December 11, 2008 in the amount of Two Hundred Thirty Two Thousand Eight Hundred and Three Dollars and no/100 (\$232,803.00), with interest and Two Thousand Dollars and no/100 (\$2,000.00) attorney fees.

5. Bowman sold crop insurance through NAU Country Insurance Company in crop year 2007. NAU began receiving calls from farmers asking why an adjuster had not contacted them. The farmers stated that they had previously notified Bowman of crop losses but that he would not answer or return their calls. NAU records determined that policies had never been issued.

6. NAU's marketing representative, Johnny Turner, attempted to contact Bowman numerous times. He finally located Bowman and spoke to him outside his office. When Bowman opened his office door, his office was in such disarray that Turner suggested they meet instead at a restaurant across the street. Turner cancelled Bowman's contract with NAU after this meeting for failing to send in customer paperwork in a timely fashion.

7. Bowman began selling crop insurance through Hudson Insurance Group after his Rain and Hail and NAU appointments were cancelled. On October 3, 2008, Hudson Insurance Group cancelled Bowman's agent contract for failing to submit acreage reports.

8. During investigation of this matter, Celeesa Newton (Newton) was interviewed. Newton had previously worked for Bowman. She stated that she witnessed Bowman sign the names of numerous customers, that he failed to return customers telephone calls and worked in total chaos.

#### **ALLEGED VIOLATIONS OF LAW**

Such conduct by Bowman as alleged above is in violation of 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.

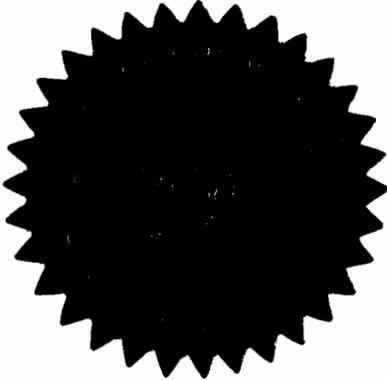
#### **ORDER**

**IT IS THEREFORE ORDERED** by the Insurance Commissioner, subject to the following paragraph, that the Respondent violated 36 O.S. § 1435.13(A)(8) and has thereby placed the welfare of the public at risk. Emergency action is justified to prevent Respondent from continuing to act as an insurance producer in Oklahoma and therefore **Respondent's license is REVOKED effective immediately.**

**IT IS FURTHER ORDERED** by the Insurance Commissioner that this Order is conditional. 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 shall become a **FINAL ORDER** on the thirty-first day following the date of mailing of this Order. Such request for hearing, if desired, shall be made in writing addressed to Julie Delluomo, Oklahoma Insurance Department, Legal Division, Post Office Box 53408, Oklahoma City, Oklahoma 73152-3408 and must be served on the Oklahoma Insurance Department within the thirty (30) days allotted. The proceedings on any 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 323.

WITNESS My Hand and Official Seal this 6<sup>th</sup> day of February, 2009.



A handwritten signature in black ink, appearing to read 'Karl F. Kramer', written over a horizontal line.

KARL F. KRAMER  
DEPUTY INSURANCE COMMISSIONER  
STATE OF OKLAHOMA

**CERTIFICATE OF MAILING**

I, Julie Delluomo, hereby certify that a true and correct copy of the above and foregoing Emergency Revocation Order and Notice of Right to be Heard was mailed by certified mail, postage prepaid with return receipt requested, on this 6<sup>th</sup> day of February 2009, to:

Edward Eugene Bowman  
27422 E. Carrier Road  
Billings, OK 74630

and that a copy was delivered to:

Agents Licensing Division

and

Anti-Fraud Unit/Investigations Division

  
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Julie A. Delluomo