

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

**STATE OF OKLAHOMA, ex rel. KIM
HOLLAND, Insurance Commissioner,**)
)
)
 Petitioner,)
)
v.)
)
KIMBERLY G. FRANK, a licensed)
Resident Producer,)
)
 Respondent.)



Case No. 10-1192-DIS

ADMINISTRATIVE ORDER OF SUSPENSION INSTANTER

COMES NOW the State of Oklahoma, ex rel. Kim Holland, Insurance Commissioner, by and through her attorney, Julie Meaders, 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. Kimberly G. Frank is a licensed resident producer holding license number 117082. Her address of record with the Oklahoma Insurance Department is Route 1, Box 26, Gotebo, Oklahoma 73041.
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. If the Insurance Commissioner finds that the public health, safety or welfare imperatively requires emergency action, and incorporates a finding to the effect in its order, summary suspension of a license may be ordered pending proceedings for revocation or other action. 75 O.S. §§ 314(C)(2), 314,1, OAC 365:1-7-9(a).

ALLEGATIONS OF FACT

1. Respondent was formerly employed as a District Service Coordinator with AFLAC in Gotebo, Oklahoma. AFLAC Investigator Chad Bohannon complained to the Oklahoma Insurance Department that Respondent created a bogus trucking company bearing her son's name, Dakota Young Custom Trucking, and falsified thirty-one applications for insurance policies on ten individuals to reflect they were employed by Dakota Young Trucking between April 1, 2008 and October 3, 2009.

2. The purpose behind falsifying the applications was to qualify these individuals for AFLAC reduced group policy rates when the individuals did not qualify for group rates. Dakota Young was the twenty-year old son of Respondent. Investigation revealed that Dakota Young Custom Trucking did not exist. Respondent received a commission for the sale of each policy and then cancelled the majority of the policies before the next month's premium was due.

3. Respondent listed Thomas Madden as employed by Dakota Young Custom Trucking in an application for AFLAC insurance. Policy PP395489 was issued April 1, 2008 and cancelled on July 1, 2008.

4. Respondent listed Isaak Chance as employed by Dakota Young Custom Trucking in an application for AFLAC insurance. Policy PP395490 was issued April 1, 2008 and cancelled on April 1, 2008.

5. Respondent listed Dakota Young as owner of Dakota Young Custom Trucking in several applications for AFLAC insurance. Policy PR570114 was issued on September 2, 2008 and cancelled on October 2, 2009. Policy PR802138 was issued on October 1, 2008 and cancelled on October 1, 2008. Policy PR802139 was issued on October 1, 2008 and cancelled on October 1, 2008. Policy PR802140 was issued on October 1, 2008 and cancelled on December 1, 2008.

6. Respondent listed Amy Young as employed by Dakota Young Custom Trucking in four applications for AFLAC insurance. Policy PR570115 was issued September 2, 2008 and cancelled on October 2, 2009. Policy PT891109 was issued on June 24, 2009 and cancelled on August 24, 2009. Policy PT891110 was issued June 24, 2009 and cancelled on June 24, 2009. Policy PT891116 was issued on July 1, 2009 and cancelled on July 1, 2009.

7. Respondent listed Greg Cowan as employed by Dakota Young Custom Trucking in four applications for AFLAC insurance. Policy PR802115 was issued October, 2008 and cancelled on October 1, 2008. Policy PR802119 was issued on October 1, 2008 and cancelled on October 1, 2008. Policy PR802122 was issued on October 1, 2008 and cancelled on October 1, 2008. Policy PR802909 was issued on October 1, 2008 and cancelled on October 1, 2008. Policy PR802910 was issued on October 1, 2008 and cancelled on October 1, 2008.

8. Respondent listed Barbara Fuchs as employed by Dakota Young Custom Trucking in four applications for AFLAC insurance. Policy PR802143 was issued on October 1, 2008 and cancelled on October 1, 2008. Policy PR802145 was issued on October 1, 2008 and cancelled on October 1, 2008. Policy PR802146 was issued on

October 1, 2008 and cancelled on November 1, 2008. Policy PR802148 was issued on October 1, 2008 and cancelled on October 1, 2008.

9. Respondent listed Jason Eastwood as employed by Dakota Young Custom Trucking in one application for AFLAC insurance. Policy PS012450 was issued on October 27, 2008 and cancelled on October 27, 2008.

10. Respondent listed Michael Lindsey as employed by Dakota Young Custom Trucking in two applications for AFLAC insurance. Policy PT891111 was issued on June 24, 2009 and cancelled on June 24, 2009. Policy PT 891112 was issued on June 24, 2009 and cancelled on September 24, 2009.

11. Respondent listed Sherry McSperitt as employed by Dakota Young Custom Trucking in eight applications for AFLAC insurance. Policy PT988119 was issued on July 7, 2009 and cancelled on October 7, 2009. Policy PT988120 was issued on July 7, 2009 and cancelled on July 7, 2009. Policy PT988121 was issued on July 7, 2009 and cancelled on July 7, 2009. Policy PT988121 was issued on July 7, 2009 and cancelled on July 7, 2009. Policy PT988122 was issued on July 7, 2009 and cancelled on July 7, 2009. Policy PT988123 was issued on July 7, 2009 and cancelled on July 7, 2009. Policy PT988124 was issued on July 7, 2009 and cancelled on July 7, 2009. Policy PT988125 was issued on July 7, 2009 and cancelled on July 7, 2009. Policy PT988126 was issued on July 7, 2009 and cancelled on July 7, 2009.

12. Respondent listed Torey Franklin as employed by Dakota Young Custom Trucking in one application for AFLAC insurance. Policy PU16842 was issued October 3, 2009 and cancelled on October 3, 2009.

13. Respondent faxed a letter to AFLAC on September 30, 2008 on Dakota Young Custom Trucking letterhead purportedly signed by Dakota Young. The letter stated that Dakota Young was the owner of Dakota Young Custom Trucking; that Amy Young was employed as administrator; Barbara Fuchs was employed as secretary; Thomas Madden was employed as a driver; Greg Cowan was employed as a driver; and Chance Issak was employed as a driver – none of which was true. The purpose of the letter was to allow short term disability insurance policy PR802140 to be issued.

14. Respondent was paid approximately \$22,000.00 in advance commissions for these applications. No restitution has been made to AFLAC by Respondent as of this date.

CONCLUSIONS OF LAW

Respondent 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.

ORDER

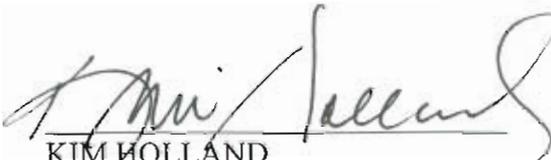
IT IS THEREFORE ORDERED by the Insurance Commissioner, subject to the following paragraph, that the Respondent violated 36 O.S. § 1435.13(A)(8) and has thereby placed the welfare of the public at risk. In accordance with 75 O.S. § 314(C)(2) and OAC 365:1-7-9, Respondent's license is suspended effective immediately.

Respondent may request a hearing be held regarding this emergency action. OAC 365:1-7-9(a). Such request for hearing shall be received within thirty (30) days from the date of receipt of this order. A request for hearing shall be made in writing addressed to Julie Meaders, Assistant General Counsel, Oklahoma Insurance Department, Post Office Box 53408, Oklahoma City, Oklahoma 73152-3408. Upon such request for hearing, the Insurance Department shall conduct the hearing within ten (10) days of receipt of the request.

An independent hearing examiner shall conduct the hearing. Respondent may have a court reporter transcribe the proceedings and Respondent shall be responsible for the costs. If Respondent fails to request a hearing within the required period of time, Respondent's producer license shall be revoked thirty days (30) days from the date of receipt of this order.

WITNESS My Hand and Official Seal this 13th day of October, 2010.




KIM HOLLAND
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

CERTIFICATE OF MAILING

I, Julie Meaders, hereby certify that a true and correct copy of the above and foregoing Administrative Order of Suspension Instanter was mailed by certified mail with postage prepaid and return receipt requested on this 14^m day of October, 2010 to:

Kimberly G. Frank
Route 1, Box 26
Gotebo, OK 73041

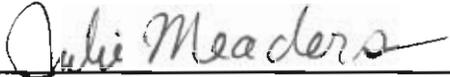
CERTIFIED MAIL NO. 7001 0320 0004 0178 4560

and a copy was mailed to all appointing insurers/RIRS

and a copy was delivered to:

Leah Scoles
Producer Licensing Division

Rick Wagnon/Eddie Kirkland
Anti-Fraud Division



JULIE MEADERS
ASSISTANT GENERAL COUNSEL

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete item 4 in this section. Also complete item 4 in the "RECEIVED" section. Print your name and address so that we can contact you if there is a problem with your shipment. Attach this label to the package or the shipping container. 	<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p><i>Kimberly Frank</i></p>
<p>1. Article Number</p>	<p>B. Received by (Printed Name) <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><i>Kimberly Frank</i></p>
<p>Kimberly G. Frank Route 1, Box 26 Gotebo, OK 73041 Legal/10-1192-DIS/JAM</p>	<p>C. Date of Delivery</p> <p>10/19/10</p> <p>RECEIVED OKLAHOMA INSURANCE DEPARTMENT Legal Division OCT 25 2010</p> <p><input type="checkbox"/> Registered Mail <input type="checkbox"/> Insured Mail</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Transfer from service label)</p>	<p>7001 0320 0004 0178 4560</p>
<p>PS Form 3811, February 2004</p>	<p>Domestic Return Receipt 102595-02-M-1540</p>

NOTIFY SENDER NFE 1 1100 00
 FRANK, KIMBERLY OF NEW ADDRESS 10/19/10
 140228 OK 73041
 OWASSO OK 74055-4538
 BC: 74055453826
 RECEIVED
 OKLAHOMA INSURANCE DEPARTMENT
 Legal Division
 OCT 25 2010