

STATE OF ARIZONA
FILED

APR 14 2015

DEPT OF INSURANCE

BY JMS

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

In the Matter of:

APPLEWHITE, KELLY JEAN
(Arizona License Number 80358)
(National Producer Number 6737909)
and KELLY APPLEWHITE INSURANCE
AGENCY, LLC
(Arizona License Number 1102420)

No. 15A-029 INS

CONSENT ORDER

Respondents.

The State of Arizona Department of Insurance ("Department") has received evidence that **Kelly Jean Applewhite and Kelly Applewhite Insurance Agency, LLC** ("**Respondents**") violated provisions of Title 20, Arizona Revised Statutes. Respondents wish to resolve this matter without the commencement of formal proceedings, and admit the following Findings of Fact are true and consent to entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

1. Kelly Jean Applewhite ("Applewhite") is, and was at all material times, licensed as an Arizona resident accident/health, life, casualty, property, variable life and variable annuities insurance producer, Arizona license number 80358, which expires January 31, 2017.

2. Applewhite's address of record is: 1285 Hancock Road, Bullhead City, Arizona 86442 (business and mailing).

3. Kelly Applewhite Insurance Agency, LLC ("Kelly Applewhite Agency") is licensed as an Arizona resident accident/health, life, casualty, property, variable life and

1 variable annuities producer, Arizona license number 1102420, which expires January 31,
2 2019. Kelly Applewhite Agency was first licensed on January 29, 2015.

3 4. Kelly Applewhite Agency's address of record is: 1285 Hancock Rd., Bullhead
4 City, Arizona 86442 (business and mailing).

5 5. Applewhite is the sole member and Designated Responsible Licensed
6 Producer for Kelly Applewhite Agency.

7 6. Applewhite was at all material times contracted with Farmers New World Life
8 Insurance Company ("Farmers") to transact insurance on its behalf in Arizona.
9

10 BARTON COMPLAINT

11 7. On or about June 10, 2014, Kirk Barton ("Barton")¹ secured a \$3,500 policy
12 loan under Farmers policy number 006137604B. Barton is the ex-spouse of Applewhite.
13 At the time the policy loan was taken, Barton was the policyowner and Applewhite was the
14 insured.

15 8. On or about July 24, 2014, an ownership change was completed by Farmers
16 assigning Applewhite as the policy owner for policy number 006137604B.

17 9. On August 5, 2014, Applewhite surrendered policy number 006137604B.

18 10. On or about August 6, 2014, Barton submitted check number 1915 in the
19 amount of \$3,500 to Farmers for the repayment of the policy loan taken in June 2014.
20 Farmers, unable to apply Barton's payment because the policy had been surrendered,
21 mailed Barton's original uncashed check to Applewhite.
22

23
24
25
26 ¹ Kirk Louis Barton is licensed as a resident accident/health, life, variable life/variable annuities, property and casualty insurance producer, license number 52369.

1 4. Grounds exist for the Director to deny, suspend for not more than twelve
2 months, revoke, or refuse to renew an insurance producer's license, impose a civil
3 penalty and/or order restitution pursuant to A.R.S. §§ 20-295(A) and (F).

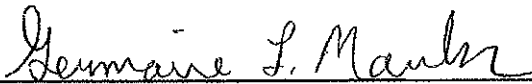
4 **ORDER**

5 **IT IS HEREBY ORDERED THAT:**

6 1. Respondent's should immediately pay a civil penalty of \$750.00 for deposit
7 into the State General Fund.

8 2. Respondents are jointly and severally responsible for payment of the civil
9 penalty.
10

11 DATED this 14th day of April, 2015.

12 

13 GERMAINE L. MARKS, Director
14 Arizona Department of Insurance

15 **CONSENT TO ORDER**

16 1. Respondents have reviewed the foregoing Findings of Fact, Conclusions of
17 Law and Order.
18

19 2. Respondents admit the jurisdiction of the Director of Insurance, State of
20 Arizona, and admit the foregoing Findings of Fact and consent to the entry of the foregoing
21 Conclusions of Law and Order.
22

23 3. Respondents are aware of their right to notice and hearing at which they may
24 be represented by counsel, present evidence and examine witnesses. Respondents
25 irrevocably waive their right to such notice and hearing and to any court appeals relating to
26 this Consent Order.

1 4. Respondents state that no promise of any kind or nature whatsoever, except
2 as expressly contained in this Consent Order, was made to them to induce them to enter
3 into this Consent Order and that they have entered into this Consent Order voluntarily.

4 5. Respondents acknowledge that the acceptance of this Consent Order by the
5 Director is solely to settle this matter against them and does not preclude any other agency,
6 including the Department, officer, or subdivision of this state or this agency from instituting
7 civil or criminal proceedings as may be appropriate now or in the future.


8 6. Respondents acknowledge that this Consent Order is an administrative action
9 that the Department will report to the National Association of Insurance Commissioners
10 (NAIC). Respondents further acknowledge that they must report this administrative action
11 to any and all states in which they hold an insurance license and must disclose this
12 administrative action on any license application.

13 7. Kelly Jean Applewhite represents that she is the sole member of Kelly
14 Applewhite Insurance Agency, LLC and, as such, is authorized to enter into this Consent
15 Order on its behalf.

16 Kelly Applewhite Insurance Agency, LLC

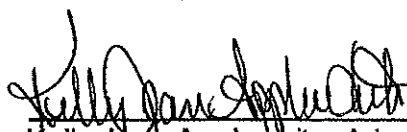
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18
19 4-9-15

20 Date

20 
21 Kelly Jean Applewhite, Member

22 4-9-15

23 Date

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24 Kelly Jean Applewhite, Arizona License # 80358

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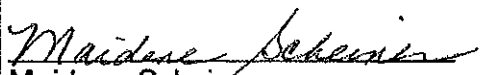
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1 COPIES of the foregoing mailed/delivered
2 this 31 day of March, 2015, to:

3 Kelly Jean Applewhite
4 Kelly Applewhite Insurance Agency, LLC
5 1285 Hancock Road
6 Bullhead City, Arizona 86442
7 Respondents

8 Mary Kosinski, Executive Assistant for Regulatory Affairs
9 Darren T. Ellingson, Deputy Director
10 Yvonne Hunter, Assistant Director Consumer Affairs
11 Catherine M. O'Neil, Consumer Legal Affairs Officer
12 Steve Fromholtz, Licensing Supervisor
13 Charles Gregory, Investigations Supervisor
14 Gloria Barnes-Jackson, Investigator
15 Barbara Beltran, Business Office
16 Department of Insurance
17 2910 North 44th Street, Suite 210
18 Phoenix, Arizona 85018

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20 Maidene Scheiner
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