

MAR 19 2013

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

DEPT OF INSURANCE
BY 

In the Matter of:)
)
 HOWARD, LAURA LYNN)
 (Arizona License Number 979906))
 (National Producer Number 8620165))
)
 Respondent.)
)
)
)

No. 13A- 033 - INS

CONSENT ORDER

The State of Arizona Department of Insurance ("Department") has received evidence that **Laura Lynn Howard ("Respondent")** violated provisions of Title 20, Arizona Revised Statutes. Respondent wishes to resolve this matter without the commencement of formal proceedings, and admits the following Findings of Fact are true and consents to entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

1. Respondent is, and was at all material times, licensed as an Arizona resident accident/health and life insurance producer, Arizona license number 979906, which expires on September 30, 2014.
2. Respondent's address of record is 4444 N. 105th Ave., Phoenix, Arizona 85037 (business/mailling/residence).
3. Respondent was at all material times contracted with Colonial Life and Accident Insurance Company, a wholly-owned subsidiary of Unum Group ("Colonial") and American Family Life Assurance Company (Aflac) to transact insurance on their behalf in Arizona.
4. On or about August 27, 2011 through October 1, 2011, Respondent created and submitted 76 fictitious accident/health and/or life insurance policy applications to Colonial for

1 which Colonial paid her \$7,453.32 in commissions. The applications were submitted under
2 five accounts created by Respondent. Respondent inserted false addresses, telephone
3 numbers, and social security numbers on the applications presented to Colonial.

4 5. On or about February 1, 2008 through August 1, 2011, Respondent created and
5 submitted 194 fictitious accident/health and/or life insurance policy applications to Aflac for
6 which Aflac paid her \$16,767.69 in commissions. The applications were submitted under four
7 accounts created by Respondent. Respondent inserted false addresses, telephone numbers,
8 and social security numbers in the spaces provided on the applications presented to Aflac.

9 6. On or about November 20, 2008 and January 2, 2009, Respondent filed false
10 wellness claims with Aflac for policy holders causing Aflac to incur a loss of \$2,035.00 for
11 payment of the claims.

12 **CONCLUSIONS OF LAW**

13 1. The Director has jurisdiction over this matter.

14 2. Respondent's conduct as described above constitutes intentionally
15 misrepresenting the terms of an actual or proposed insurance contract or application for
16 insurance within the meaning of A.R.S. §20-295(A)(5).

17 3. Respondent's conduct, as described above, constitutes using fraudulent,
18 coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial
19 irresponsibility in the conduct of business in this state or elsewhere, within the meaning of
20 A.R.S. §20-295(A)(8).

21 4. Respondent's conduct, as described above, constitutes presenting, causing to
22 be presented or preparing with the knowledge or belief that it will be presented an oral or
23 written statement, including computer generated documents, to or by an insurer, reinsurer,

1 purported insurer or reinsurer, insurance producer or agent of a reinsurer that contains untrue
2 statements of material fact or that fails to state any material fact with respect to an application
3 for the issuance or renewal of an insurance policy within the meaning of A.R.S. §20-
4 463(A)(1)(a).

5 5. Respondent's conduct as described above constitutes violating any provision of
6 this title or any rule, subpoena or order of the director within the meaning of A.R.S. §20-
7 295(A)(2).

8 6. Grounds exist for the Director to suspend, revoke, or refuse to renew
9 Respondent's insurance license and/or order restitution pursuant to A.R.S. §§ 20-295(A) and
10 (F).

11 **ORDER**

12 IT IS HEREBY ORDERED THAT:

13 1. Respondent's license is revoked effective immediately upon entry of this Order.

14 2. Respondent shall immediately make restitution to Colonial in the amount of
15 \$7,453.32.

16 ...

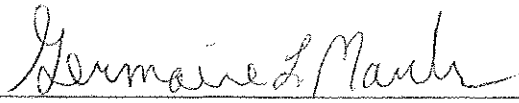
17 ...

18 ...

19 3. Respondent shall immediately make restitution to Aflac in the amount of
20 \$18,802.69¹.

21 _____
22 ¹ This amount represents the combined total for the commissions paid to Respondent for the
23 fictitious applications and the loss incurred by Aflac as a result of the false claims submitted by
Respondent.

1 DATED AND EFFECTIVE this 19th day of March, 2013.

2
3 
4 GERMAINE L. MARKS
5 Director of Insurance

6 **CONSENT TO ORDER**

7 1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law
8 and Order.

9 2. Respondent admits the jurisdiction of the Director of Insurance, State of Arizona,
10 and admits the foregoing Findings of Fact and consents to the entry of the foregoing
11 Conclusions of Law and Order.

12 3. Respondent is aware of her right to notice and a hearing at which she may be
13 represented by counsel, present evidence and examine witnesses. Respondent irrevocably
14 waives her right to such notice and hearing and to any court appeals relating to this Consent
15 Order.

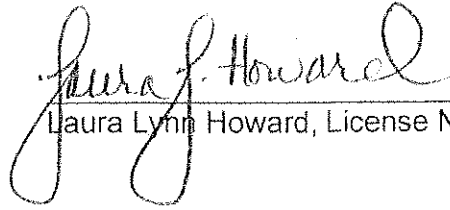
16 4. Respondent states that no promise of any kind or nature whatsoever, except as
17 expressly contained in this Consent Order, was made to her to induce her to enter into this
18 Consent Order and that she has entered into this Consent Order voluntarily.

19 5. Respondent acknowledges that the acceptance of this Consent Order by the
20 Director is solely to settle this matter against her and does not preclude any other agency,
21 officer, or subdivision of this state including the Department from instituting civil or criminal
22 proceedings as may be appropriate now or in the future not specifically related to this matter.
23

1 6. Respondent acknowledges that this Consent Order is an administrative action
2 that the Department will report to the National Association of Insurance Commissioners (NAIC)
3 and that she may have to report this administrative action on any future licensing applications
4 either to the Department or other states' Departments of Insurance.

5 3/18/13

6 Date



7 _____
8 Laura Lynn Howard, License No. 979906

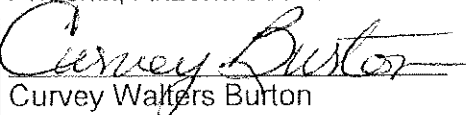
9 COPIES of the foregoing mailed/delivered
10 this 19th day of March, 2013, to:

11 Attorney Mel McDonald
12 2901 N. Central Ave.
13 Suite 800
14 Phoenix, AZ 85012
15 Respondent

16 SIU Todd Davis
17 UNUM Group
18 18 Chestnut St.
19 Worcester, MA 01608

20 SIU Wanda Perper
21 Aflac
22 PO Box 5288
23 Columbus, GA 31906

24 Mary Kosinski, Executive Assistant for Regulatory Affairs
25 Catherine M. O'Neil, Consumer Legal Affairs Officer
26 Mary Butterfield, Consumer Affairs Assistant Director
27 Steve Fromholtz, Licensing Supervisor
28 Charles Gregory, Investigations Supervisor
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30 Department of Insurance
31 2910 North 44th Street, Suite 210
32 Phoenix, Arizona 85018

33 
34 Curvey Walters Burton