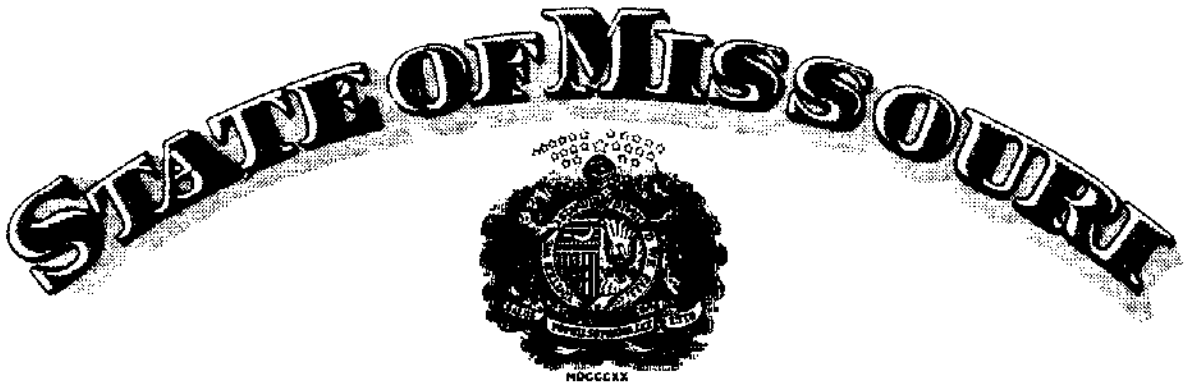


DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

P.O. Box 690, Jefferson City, Mo. 65102-0690

In the Matter of:	)	
	)	**Case No. 10-0930621C**
REGINA S. HEMBREE,	)	
	)	
Respondent.	)	

CONSENT ORDER

John M. Huff, Director of the Department of Insurance, Financial Institutions and Professional Registration takes up the above matter for consideration and disposition. The Consumer Affairs Division, through legal counsel Tamara W. Kopp, and Regina S. Hembree, through counsel Phillip A. Glades, have reached a settlement in this matter and have consented to the issuance of this Consent Order.

1. John M. Huff is the duly appointed Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration ("Director") whose duties, pursuant to Chapters 374, 375, and 381, RSMo[1], include the supervision, regulation and discipline of title insurance producers and business entity producers.

2. The Consumer Affairs Division ("Division") has the duty of conducting investigations into the acts of insurance producers under the insurance laws of this state and is

[1] All statutory references are to the 2009 Supplement to the Revised Statutes of Missouri unless otherwise noted.

authorized by the Director to investigate and to recommend enforcement action for violations of the insurance laws of this state.

3. The Department of Insurance, Financial Institutions and Professional Registration ("Department") issued Regina S. Hembree ("Hembree") an insurance producer license (No. 0224013) on June 16, 1993. Respondent's license is currently active and set to expire on June 16, 2011.

4. On August 3, 2010, Gary Hendricks, President of Fidelity Abstract & Title Co. ("Fidelity") a title agency licensed as a business entity producer (No. 0028136), contacted the Division and alleged that Hembree stole funds from Fidelity's escrow account while employed by Fidelity.

5. On September 8, 2010, the Director issued a subpoena ordering Hembree to appear at the Department office in Jefferson City, Missouri to testify and produce records on September 29, 2010. The September 8, 2010 subpoena was properly served on Hembree by certified mail.

6. On September 20, 2010, the Director issued a second subpoena ordering Hembree to appear at the Department office in Jefferson City, Missouri to testify and produce records on September 29, 2010. Division Investigator Larry Leppard personally served the September 20, 2010 subpoena on Hembree on September 21, 2010.

7. Hembree, through counsel, contacted Division counsel by letter on September 29, 2010, and stated she would not appear at the Department office to testify, nor would she produce records on September 29, 2010 as ordered by the subpoenas, and that she was invoking her Fifth Amendment privilege not to testify.

8. Hembree admits that her refusal to testify and refusal to produce records as ordered by the September 8, 2010 and September 20, 2010 subpoenas is a ground to discipline her insurance producer license pursuant to § 374.210.2.

9. Section 374.210 provides, in part:

* * *

> The director may also suspend, revoke, or refuse any license . . . issued by the director to any person who does not appear or refuses to testify, file a statement, produce records, or does not obey a subpoena.

* * *

> 4. A person is not excused from attending, testifying, filing a statement, producing a record or other evidence, or obeying a subpoena of the director under an action or proceeding instituted by the director on the grounds that the required testimony, statement, record, or other evidence, directly or indirectly, may tend to incriminate the individual or subject the individual to a criminal fine, penalty, or forfeiture.

* * *

10. Hembree admits that her refusal to testify and refusal to produce records as ordered by the September 8, 2010 and September 20, 2010 subpoenas is a violation of an order of the Director and a ground to discipline her insurance producer license pursuant to § 375.141.1(2).

11. Hembree admits that, while employed by Fidelity, she stole escrow account funds from Fidelity in the course of doing insurance business and converted those funds to personal use.

12. Hembree admits that her theft of Fidelity escrow account funds is a ground to discipline her insurance producer license for improperly withholding, misappropriating or converting money or properties received in the course of doing insurance business, pursuant to § 375.141.1(4).

13. Hembree admits that her theft of Fidelity escrow account funds is a ground to discipline her insurance producer license for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state, pursuant to § 375.141.1(8).

14. On or about October 8, 2010, counsel for the Division sent a settlement offer to Hembree describing the specific conduct for which discipline was sought and citation to the law and rules allegedly violated, along with documents which were the basis thereof, including copies of the statutes allegedly violated. Counsel for the Division advised Hembree that she had 60 days to review the relevant documents and consider the proposed settlement offer.

15. Hembree admits to the facts alleged by the Division and outlined in this Consent Order. Hembree agrees that these facts constitute grounds to discipline her insurance producer license pursuant to §§ 374.210.2, 375.141.1(2), (4), and (8), RSMo.

16. Hembree has the right to consult counsel at her own expense.

17. Hembree has been advised that she may, either at the time the Consent Order is signed by all parties, or within 15 days thereafter, submit the Consent Order to the Administrative Hearing Commission for determination that the facts agreed to by the parties to the Consent Order constitute grounds for disciplining Hembree's Missouri insurance producer license.

18. Except as provided in paragraph 17, above, Hembree stipulates and agrees to waive any rights that she may have to a hearing before the Administrative Hearing Commission or the Director and any rights to seek judicial review or other challenge or contest of the terms and conditions of this Consent Order and forever releases and holds harmless the Department,

the Director and his agents, and the Consumer Affairs Division from all liability and claims arising out of, pertaining to, or relating to this matter.

19. Each signatory to this Consent Order certifies by signing that he or she is fully authorized, in his or her own capacity, or by the named party he or she represents, to accept the terms and provisions of this Consent Order in their entirety, and agrees, in his or her personal or representational capacity, to be bound by the terms of this Consent Order.

Conclusions of Law

20. The actions admitted by Hembree are grounds to discipline Hembree's Missouri insurance producer license pursuant to §§ 374.210.2, 375.141.1(2), (4), and (8), RSMo.

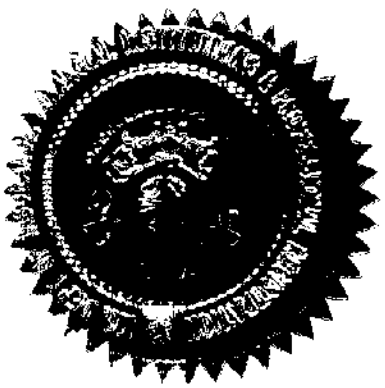
21. The Director is authorized to settle this matter and issue this Consent Order in the public interest pursuant to § 621.045, RSMo, and § 536.060, RSMo (2000).

22. The terms set forth in this Consent Order are an appropriate disposition of this matter, and entry of this Consent Order is in the public interest.

ORDER

IT IS ORDERED THAT Regina S. Hembree's Missouri insurance producer license (No. 0224013) is hereby **REVOKED**.

SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS 21st **DAY OF** December, 2010.



JOHN M. HUFF
Director, Missouri Department of Insurance, Financial Institutions and Professional Registration

CONSENT AND WAIVER OF HEARING

The undersigned persons understand and acknowledge that Regina S. Hembree has the right to a hearing, but that Regina S. Hembree has waived the hearing and consented to the issuance of this Consent Order.

Regina S. Hembree
20246 Hottel Springs Road
Seneca, Missouri 64865
Respondent

12/7/10
Date

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Facsimile: (417) 781-6890

12-7-10
Date

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12-14-10
Date