



**DEPARTMENT OF INSURANCE, FINANCIAL
INSTITUTIONS AND PROFESSIONAL REGISTRATION**

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

In re:)
)
HEATHER SULLARD,) **Case No. 171013394C**
)
 Respondent.)

CONSENT ORDER

Chlora Lindley-Myers, Director of the Department of Insurance, Financial Institutions and Professional Registration, takes up the above-referenced matter for consideration and disposition. The Consumer Affairs Division, through counsel J. Danielle McAfee, and Respondent Heather Sullard, have reached a settlement in this matter and Respondent has consented to the issuance of this Consent Order.

Findings of Fact

1. Chlora Lindley-Myers is the duly appointed Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration

("Department") whose duties, pursuant to Chapters 374 and 375 RSMo¹, include supervision, regulation, and discipline of insurance producers.

2. The Consumer Affairs Division of the Department ("Division") has the duty of conducting investigations into the unfair or unlawful acts of insurance producers and companies under the insurance laws of this state and has been authorized by the Director to initiate this action before the Director to enforce the insurance laws of this state.

3. The Department issued Respondent Heather Sullard ("Sullard") a resident insurance producer license (No. 8291056) on May 13, 2013.

4. On or about April 18, 2017, Respondent Sullard voluntarily surrendered her resident insurance producer license to the Department.

5. The Division seeks to discipline Respondent Sullard's insurance producer license and alleges the following:

a. Respondent was employed by Bunceton Mutual Insurance from on or about May 23, 2011 until termination of her employment on or about January 20, 2017. At the time of her termination, Respondent was employed as the office manager and a contract agent for Bunceton Mutual Insurance.

b. During Respondent's employment at Bunceton Mutual Insurance, Respondent intentionally and maliciously engaged in the following:

¹ All civil statutory references are to RSMo Supp. 2016 unless otherwise noted.

- i. Misappropriated insurance premium funds given to her for deposit;
 - ii. Issued checks from Bunceton Mutual Insurance's business accounts for her own personal benefit;
 - iii. Misused Bunceton Mutual Insurance's business credit cards and opened new credit lines in Bunceton Mutual Insurance's name, but for Respondent's own use;
 - iv. Made unauthorized donations using Bunceton Mutual Insurance's business funds; and
 - v. Made unauthorized withdrawals from Bunceton Mutual Insurance's banking accounts.
- c. During Respondent's employment at Bunceton Mutual Insurance, Respondent intentionally and maliciously took unauthorized possession of more than \$155,000.00, in total, for her own use and to deprive Bunceton Mutual Insurance thereof.
- d. In January 2017, the Department received anonymous information that Respondent had been terminated from her employment due to possible misappropriation of funds.
- e. During the Department's investigation regarding this matter, a subpoena conference was held on April 18, 2017, during which Respondent voluntarily surrendered her license and stated "I made a mistake. I used company funds for personal use."

f. On or about January 23, 2018, in a civil suit filed by Bunceton Mutual Insurance against Respondent Sullard, the Court entered a Finding of Facts and Consent Judgment in favor of Bunceton Mutual Insurance and against Respondent on Count I (Fraud) and Count II (Conversion) of the Petition, and awarding damages to Bunceton Mutual Insurance in the total amount of \$225,000.00. *Bunceton Mutual Insurance Company v. Heather Sullard*, Cooper County, Missouri Cir. Ct., Case No. 17CO-CC00048. This \$225,000.00 damages award included restitution for Respondent's misappropriation of funds, as well as related damages and expenses directly related to Bunceton Mutual Insurance's investigation thereof. *Id.*

6. In light of these facts, Respondent Sullard's insurance producer license is subject to discipline on the following grounds:

- a. Respondent's intentional and improper misappropriation and conversion of money and/or property received in the course of doing insurance business is grounds to discipline her license under § 375.141.1(4).
- b. Respondent's use of fraudulent, coercive, or dishonest practices while employed at Bunceton Mutual Insurance demonstrates incompetence, untrustworthiness, or financial irresponsibility in the conduct of business, and is grounds to discipline her license under § 375.141.1(8).

7. Section 375.141.1 provides, in relevant part, as follows:

The director may suspend, revoke, refuse to issue or refuse to renew an insurance producer license for any one or more of the following causes:

* * *

(4) Improperly withholding, misappropriating or converting any moneys or properties received in the course of doing insurance business[.]

* * *

(8) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere[.]

8. The fact that Respondent Sullard voluntarily surrendered her license does not deprive the Director of jurisdiction to discipline the license. *See* § 375.141.4.

9. On or about March 25, 2019, counsel for the Division provided a written description of the specific conduct for which discipline was sought and a citation to the law and rules allegedly violated, together with copies of any documents upon which it based the allegations, and the Division's settlement offer, namely, this Consent Order, in accordance with § 621.045.4(1). Counsel for the Division further advised Respondent Sullard that she had sixty (60) days to review the relevant documents and consider the proposed settlement offer in accordance with § 621.045.4(2).

10. Sullard admits to the facts alleged by the Division and outlined in this Consent Order.

11. Sullard agrees that these facts constitute grounds to discipline her insurance producer license pursuant to § 375.141.1 (4) and (8).

12. Sullard acknowledges that she understands she has the right to consult an attorney at her own expense.

13. Sullard further acknowledges that she has been advised that she may, either at the time the Consent Order is signed by all parties, or within fifteen (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 Sullard's insurance producer license.

14. Except as provided in Paragraph 13, above, Sullard 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, her agents, and the Division from all liability and claims arising out of, pertaining to, or relating to this matter.

15. Sullard acknowledges and understands that this Consent Order is an administrative action and will be reported by the Department to other states. Sullard further acknowledges and understands that this administrative action should be disclosed on future applications and renewal applications, and that it is her responsibility to comply with the reporting requirements of each state in which she is licensed.

16. Sullard acknowledges and understands that this administrative action and the terms of this Consent Order shall be disclosed to any current or future insurance industry employer, and that it is her responsibility to comply with this reporting requirement.

17. 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

18. The allegations raised by the Division, and admitted to herein by Sullard, are grounds to discipline Sullard's insurance producer license pursuant to § 375.141.1(4) and (8).

19. The Director is authorized to settle this matter and issue this Consent Order in the public interest pursuant to §§ 374.046, 621.045, and 536.060.

20. 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 Respondent Heather Sullard's insurance producer license (No. 8291056) is hereby **REVOKED**.

SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS 03rd
DAY OF April, 2019.



Chlora Lindley Myers
CHLORA LINDLEY-MYERS, Director
Missouri Department of Insurance, Financial
Institutions and Professional Registration

CONSENT AND WAIVER OF HEARING

The undersigned persons understand and acknowledge that Respondent Heather Sullard has a right to a hearing, but that Respondent waived the hearing and consented to the issuance of this Consent Order.



Heather Sullard
8250 Highway W
Prairie Home, MO 65068
Respondent

3-29-19

Date

Counsel for Respondent

Name: _____

Missouri Bar No. _____

Address: _____

Phone: _____

Fax: _____

Date



J. Danielle McAfee

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4/1/19

Date