



**State of Missouri**

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

**IN RE:**

**CARLA DIANA EASTMAN,**

**Applicant.**

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**Case No. 170131146C**

**ORDER REFUSING TO ISSUE INSURANCE PRODUCER LICENSE**

On March 14, 2017, the Consumer Affairs Division submitted a Petition to the Director ("Director") alleging cause for refusing to issue an insurance producer license to Carla Diana Eastman. After reviewing the Petition, the Investigative Report, and the entirety of the file, the Director issues the following findings of fact, conclusions of law, and order:

**FINDINGS OF FACT**

1. Carla Diana Eastman ("Eastman") is a Missouri resident with a residential and mailing address of 16631 South 1200 Road, Nevada, Missouri 64772.
2. On May 6, 2016, the Department of Insurance, Financial Institutions and Professional Registration ("Department") received Eastman's application for an individual resident insurance producer license ("Application").
3. Background Question No. 1B of the Application asks, in part:

Have you ever been convicted of a felony, had a judgment withheld or deferred, or are you currently charged with committing a felony?
4. Eastman answered "Yes" to Background Question No. 1B.
5. Eastman disclosed and provided court documents disclosing the following felony conviction:
  - a. December 1, 2005, Eastman pled guilty to, Possession of Methamphetamine, a Level 4 Felony, in violation of § 65-4160(a) K.S.A.<sup>1</sup> On January 24, 2006, the court sentenced Eastman to eighteen (18) months' probation. On September 27, 2007, the court revoked Eastman's probation and extended her probation by six (6) months. *State of Kansas v. Carla D. Cornett*, Miami Co. Dist. Ct., Case No. 05CR211.<sup>2</sup>

<sup>1</sup> All criminal statutory references are to those contained in the version of the Kansas Statutes Annotated under which the court rendered judgment.

<sup>2</sup> In response to Question No. 34(a) of the Application, which states, "List any other assumed, fictitious, alias, maiden or trade names which you have used in the past[ ]" Eastman answered "Cornett."

6. On June 13, 2016, after reviewing Eastman's Application and her criminal record, Special Investigator Karen Crutchfield of the Consumer Affairs Division ("Division") sent an inquiry letter to Eastman. The inquiry letter requested that Eastman provide additional information regarding the circumstances surrounding her conviction and documentation showing discharge of her probation. The inquiry letter further requested a response within twenty (20) days, and warned Eastman that a failure to respond could result in the Department refusing to issue her an insurance producer license.
7. The United States Postal Service did not return the June 13, 2016 inquiry letter to the Division as undeliverable, and therefore it is presumed received by Eastman.
8. Eastman failed to provide an adequate response to the Division's June 13, 2016 inquiry letter, and failed to demonstrate a reasonable justification for the delay.
9. On July 8, 2016, after receiving no adequate response from Eastman, Special Investigator Karen Crutchfield of the Division sent a second inquiry letter to Eastman. The inquiry letter requested the same information and documentation as requested in the June 13, 2016 inquiry letter. The inquiry letter further requested a response within twenty (20) days, and again warned Eastman that a failure to respond could result in the Department refusing to issue her an insurance producer license.
10. The United States Postal Service did not return the July 8, 2016 inquiry letter to the Division as undeliverable, and therefore it is presumed received by Eastman.
11. Eastman failed to provide an adequate response to the Division's July 8, 2016 inquiry letter, and failed to demonstrate a reasonable justification for the delay.
12. On August 17, 2016, after receiving no adequate response from Eastman, Special Investigator Karen Crutchfield of the Division sent a third inquiry letter to Eastman. The inquiry letter requested the same information and documentation as requested in the prior inquiry letters. The inquiry letter further requested a response within twenty (20) days, and again warned Eastman that a failure to respond could result in the Department refusing to issue her an insurance producer license.
13. The United States Postal Service did not return the August 17, 2016 inquiry letter to the Division as undeliverable, and therefore it is presumed received by Eastman.
14. Eastman failed to provide an adequate response to the Division's August 17, 2016 inquiry letter, and failed to demonstrate a reasonable justification for the delay.
15. On November 14, 2016, after receiving no adequate response from Eastman, Special Investigator Karen Crutchfield of the Division sent a fourth inquiry letter to Eastman. The inquiry letter requested the same information and documentation as requested in the prior inquiry letters. The inquiry letter further requested a response within twenty (20) days,

and again warned Eastman that a failure to respond could result in the Department refusing to issue her an insurance producer license.

16. The United States Postal Service did not return the November 14, 2016 inquiry letter to the Division as undeliverable, and therefore it is presumed received by Eastman.
17. Eastman failed to provide a response to the Division's November 14, 2016 inquiry letter, and failed to demonstrate a reasonable justification for the delay.

### CONCLUSIONS OF LAW

18. Section 375.141 RSMo (Supp. 2013)<sup>3</sup> provides, in part:

1. 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:

\* \* \*

(2) Violating any insurance laws, or violating any regulation, subpoena or order of the director or of another insurance commissioner in any other state; [or]

\* \* \*

(6) Having been convicted of a felony or crime involving moral turpitude[.]

19. Title 20 CSR 100-4.100(2)(A) Required Response to Inquiries by the Consumer Affairs Division, provides:

Upon receipt of any inquiry from the division, every person shall mail to the division an adequate response to the inquiry within twenty (20) days from the date the division mails the inquiry. An envelope's postmark shall determine the date of mailing. When the requested response is not produced by the person within twenty (20) days, this nonproduction shall be deemed a violation of this rule, unless the person can demonstrate that there is reasonable justification for that delay.

20. "There is a presumption that a letter duly mailed has been received by the addressee." *Clear v. Missouri Coordinating Bd. for Higher Educ.*, 23 S.W.3d 896, 900 (Mo. App. 2000) (internal citations omitted).

21. The Director may refuse to issue an insurance producer license to Eastman pursuant to

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<sup>3</sup> All civil statutory references are to RSMo (2000) as updated by the 2013 Supplement unless otherwise noted.

§ 375.141.1(2) because Eastman failed to provide an adequate or written response to four (4) inquiry letters from the Division and failed to provide a reasonable justification for the delay, thereby violating 20 CSR 100-4.100(2)(A), a regulation of the Director, four (4) times.

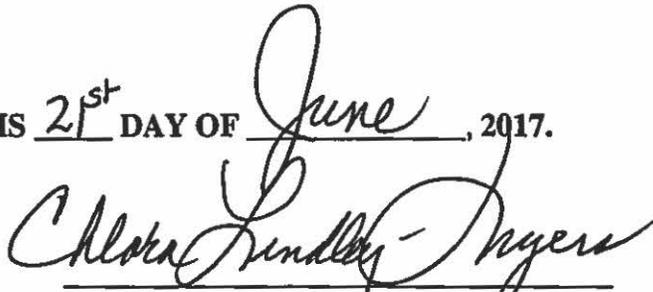
22. Each violation of a regulation is a separate and sufficient ground for refusal pursuant to § 375.141.1(2).
23. The Director may refuse to issue an insurance producer license to Eastman pursuant to § 375.141.1(6) because Eastman has been convicted of a Felony:
  - a. Possession of Methamphetamine, a Level 4 Felony. *State of Kansas v. Carla D. Cornett*, Miami Co. Dist. Ct., Case No. 05CR211.
24. The Director may refuse to issue an insurance producer license to Eastman pursuant to § 375.141.1(6) because Eastman has been convicted of a crime involving moral turpitude:
  - a. Possession of Methamphetamine, a Level 4 Felony. *State of Kansas v. Carla D. Cornett*, Miami Co. Dist. Ct., Case No. 05CR211.
25. The Director has considered Eastman's history and all of the circumstances surrounding Eastman's Application. Granting Eastman a resident insurance producer license would not be in the interest of the public. Accordingly, the Director exercises her discretion to refuse to issue a resident insurance producer license to Eastman.
26. This Order is in the public interest.

**ORDER**

**IT IS THEREFORE ORDERED** that Carla Diana Eastman's application for an individual resident insurance producer license is hereby **REFUSED**.

**SO ORDERED.**

WITNESS MY HAND THIS 21<sup>st</sup> DAY OF June, 2017.



**CHLORA LINDLEY-MYERS, Director**  
Missouri Department of Insurance, Financial  
Institutions and Professional Registration



## **NOTICE**

**To: Applicant and any unnamed persons aggrieved by this Order:**

You may request a hearing in this matter. You may do so by filing a complaint with the Administrative Hearing Commission of Missouri, P.O. Box 1557, Jefferson City, Missouri, within 30 days after the mailing of this notice pursuant to Section 621.120, RSMo. Pursuant to 1 CSR 15-3.290, unless you send your complaint by registered or certified mail, it will not be considered filed until the Administrative Hearing Commission receives it.

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**CERTIFICATE OF SERVICE**

I hereby certify that on this 22nd day of June, 2017, a copy of the foregoing Order and Notice was served upon the Applicant in this matter by UPS, signature required service, at the following address:

Carla Diana Eastman  
16631 South 1200 Road  
Nevada, Missouri 64772

No. 1Z0R15W84299494493



Kathryn Latimer, Paralegal  
Missouri Department of Insurance, Financial  
Institutions and Professional Registration  
301 West High Street, Room 530  
Jefferson City, Missouri 65101  
Telephone: 573.751.6515  
Facsimile: 573.526.5492  
Email: [kathryn.latimer@insurance.mo.gov](mailto:kathryn.latimer@insurance.mo.gov)

**CERTIFICATE OF SERVICE**

I hereby certify that on this 26th day of June, 2017, a copy of the foregoing Order and Notice was served upon the Applicant in this matter by USPS, certified mail, at the following address:

Carla Diana Eastman  
16631 South 1200 Road  
Nevada, Missouri 64772

Certified No. 7016 1370 0001 2035 8893



Kathryn Latimer, Paralegal  
Missouri Department of Insurance, Financial  
Institutions and Professional Registration  
301 West High Street, Room 530  
Jefferson City, Missouri 65101  
Telephone: 573.751.6515  
Facsimile: 573.526.5492  
Email: [kathryn.latimer@insurance.mo.gov](mailto:kathryn.latimer@insurance.mo.gov)

**CERTIFICATE OF SERVICE**

I hereby certify that on this 11th day of July, 2017, a copy of the foregoing Order and Notice was served upon the Applicant in this matter by USPS, first class mail, at the following address:

Carla Diana Eastman  
16631 South 1200 Road  
Nevada, Missouri 64772



Kathryn Latimer, Paralegal  
Missouri Department of Insurance, Financial  
Institutions and Professional Registration  
301 West High Street, Room 530  
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