

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

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

**In re:**

**ELIZABETH GLOSEMEYER,**

**Respondent.**

)  
)  
)  
)  
)

**Case No. 14-0107011C**

**CONSENT ORDER**

John M. Huff, 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, Kelly A. Hopper, and Respondent Elizabeth Glosemeyer 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 ("Department") whose duties, pursuant to Chapters 374 and 375 RSMo,<sup>1</sup> include supervision, regulation, and discipline of insurance producers.

2. The Consumer Affairs Division ("Division") of the Department has the duty of conducting investigations into the unfair or unlawful acts of insurance producers and companies

---

<sup>1</sup> All statutory references are to the 2013 Supplement to the Revised Statutes of Missouri unless otherwise noted.

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 first issued Elizabeth Glosemeyer ("Glosemeyer") a resident insurance producer license (License No. 0181023) on October 21, 1993. Glosemeyer most recently renewed that license on November 3, 2011, and allowed it to expire on October 22, 2013 when Glosemeyer did not seek to renew it.

4. The Division seeks to discipline Glosemeyer's expired resident insurance producer license and alleges the following:

a. On June 27, 2013, the United States Attorney for the Eastern District of Missouri filed an indictment against Glosemeyer that charged her with two (2) counts of Wire Fraud, both Class C Felonies, in violation of 18 U.S.C. § 1343, and sought asset forfeiture by Glosemeyer. The indictment charged Glosemeyer as follows:

- i. From at least January 1, 2009 to July 9, 2012, Glosemeyer was the office manager and highest-paid employee of Lenders Guarantee Title Company ("Lenders"). Lenders was in the business of, among other things, providing escrow account services to clients engaging in real estate transactions.
- ii. During that three-year period, Glosemeyer occasionally dipped into Lenders' escrow account in order to fund Lenders' operating costs. This was possible because Lenders' escrow account had a "float," meaning funds were set aside for specific client transactions but that said funds did not immediately need to be accessed. As Glosemeyer continued to dip into the float, the deficit in the float grew.

- iii. Glosemeyer, having worked for many years at various title companies, knew or should have known that raiding the escrow account in this way was an improper misappropriation of client funds.
- iv. Lenders issued title insurance through Stewart Title Guaranty Company (“Stewart Title”).<sup>2</sup> Because of this relationship, Lenders was required to provide periodic financial statements to Stewart Title so that Stewart Title could be assured of Lenders’ financial soundness and operational integrity.
- v. Glosemeyer, knowing that Stewart Title would not tolerate her raiding of Lenders’ escrow account, deliberately altered Lenders’ financial statements in order to conceal her misappropriations.
- vi. In the summer of 2012, Stewart Title initiated a routine audit of Lenders’ financials. In the course of this audit, Stewart Title discovered the deficit created by Glosemeyer in the Lenders escrow account. Because of that deficit, Stewart Title determined that Lenders did not meet a requisite level of financial soundness. Accordingly, Stewart Title rescinded Lenders’ authority to write insurance through Stewart Title.
- vii. The audit also revealed that, because of the deficit in the float, Lenders failed to fund at least one real estate transaction for an amount over \$200,000.00. Stewart Title funded this transaction itself.

*United States of America v. Elizabeth Glosemeyer*, United States District Court, Eastern District of Missouri, Case No. 4:13CR00254 RWS.

b. On August 21, 2013, Glosemeyer pleaded guilty to two counts of Wire Fraud, both Class C Felonies, in violation of 18 U.S.C. § 1343. *Id.*

---

<sup>2</sup> Stewart Title is a Texas-domiciled title insurance company authorized to do business in Missouri.

c. On July 10, 2014, the court sentenced Glosemeyer to three years' probation on each count of Wire Fraud, such terms to run concurrently, and 50 hours of community service, and ordered Glosemeyer to pay a \$200.00 special assessment fee.

d. At no time did Glosemeyer report this criminal prosecution for a felony or for a crime involving moral turpitude to the Director.

5. In light of these facts, Glosemeyer's resident insurance producer license is subject to discipline pursuant to:

a. Section 375.141.1(6), because Glosemeyer pleaded guilty to and was convicted of two (2) counts of Wire Fraud, both Class C Felonies, in violation of 18 U.S.C. § 1343. *United States of America v. Elizabeth Glosemeyer*, United States District Court, Eastern District of Missouri, Case No. 4:13CR00254 RWS.

b. Section 375.141.1(6), because Glosemeyer has been convicted of two (2) crimes involving moral turpitude when she pleaded guilty to and was convicted of two (2) counts of Wire Fraud, both Class C Felonies, in violation of 18 U.S.C. § 1343. *Id.*

c. Section 375.141.1(2), because Glosemeyer violated an insurance law, namely § 375.141.7, when Glosemeyer failed to report to the Director her criminal prosecution for a felony or for a crime involving moral turpitude within thirty (30) days of the initial pretrial hearing date. Specifically, Glosemeyer failed to report to the Director her criminal prosecution for two (2) counts of felony Wire Fraud. *Id.*

d. Section 375.141.1(2), because Glosemeyer violated an insurance law, namely § 381.022.3(2), when Glosemeyer used escrow funds to pay for or indemnify against debts of a title insurance agent or of any other person. Specifically, Glosemeyer dipped into Lenders' escrow account to pay for its debts accrued from operating costs.

e. Section 375.141.1(2), because Glosemeyer violated an insurance law, namely § 381.022.3(3), when Glosemeyer used escrow funds for a purpose other than to fulfill the terms of the individual written escrow instructions after the necessary terms of the written escrow instructions had been met. Specifically, Glosemeyer used funds in Lenders' escrow account to pay for Lenders' debts accrued from operating costs.

f. Section 375.141.1(4), because Glosemeyer improperly withheld, misappropriated or converted moneys or properties received in the course of doing insurance business when Glosemeyer personally raided Lenders' escrow account to cover Lenders' operating costs.

g. Section 375.141.1(8), because Glosemeyer used fraudulent or dishonest practices, or demonstrated incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in Missouri or elsewhere when Glosemeyer:

- i. misappropriated client funds by dipping into Lenders' escrow account to cover Lenders' operating costs;
- ii. personally and deliberately altered Lenders' financial records when reporting to Stewart Title over a period of at least six months; and
- iii. personally created a significant deficit in Lenders' escrow account that caused Stewart Title to revoke Lenders' authority to write insurance in Stewart Title's name.

6. Glosemeyer agrees that the facts contained in this Consent Order constitute grounds to discipline her insurance producer license pursuant to § 375.141.1(2), (4), (6), and (8).

7. Glosemeyer and the Division desire to settle the allegations raised by the Division.

8. On or about September 8, 2014, 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 Glosemeyer that she had sixty (60) days to review the relevant documents and consider the proposed settlement offer in accordance with § 621.045.4(2).

9. Glosemeyer acknowledges and understands that she has the right to consult an attorney at her own expense.

10. Glosemeyer 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 discipline of Glosemeyer's insurance producer license.

11. Except as provided in paragraph 10 above, Glosemeyer 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 release and hold harmless the Department, the Director, his agents, and the Division from all liability and claims arising out of, pertaining to, or relating to this matter.

12. Glosemeyer acknowledges and understands that this Consent Order is an administrative action and will be reported by the Department to other states. Glosemeyer 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.

13. Glosemeyer, by signing this Consent Order, certifies that she is fully authorized, in her own capacity, to accept the terms and provisions of this Consent Order in their entirety, and agrees to be bound by the terms of this Consent Order.

#### **Conclusions of Law**

14. Section 375.141 provides, in relevant 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;

\* \* \*

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

\* \* \*

(6) Having been convicted of a felony or crime involving moral turpitude;

\* \* \*

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

\* \* \*

7. Within thirty days of the initial pretrial hearing date, a producer shall report to the director any criminal prosecution for a felony or a crime involving moral turpitude of the producer taken in any jurisdiction. The report shall include a copy of the indictment or information filed, the order resulting from the hearing and any other relevant legal documents.

15. Section 387.022 provides, in relevant part:

3. It is unlawful for any person to:

\* \* \*

(2) Use such escrow funds to pay or indemnify against debts of the title insurance agent or of any other person;

(3) Use such escrow funds for any purpose other than to fulfill the terms of the individual written escrow instructions after the necessary terms of the written escrow instructions have been met[.]

16. The allegations raised by the Division, and admitted to herein by Glosemeyer, are grounds to discipline Glosemeyer's insurance producer license pursuant to § 375.141.1(2), (4), (6), and (8).

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

18. 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** Elizabeth Glosemeyer's resident insurance producer license (License No. 0181023) is hereby **REVOKED**.

**SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS** 27 **DAY OF**  
October, 2014.

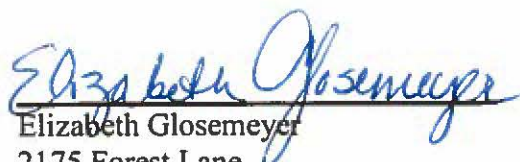


JOHN M. HUFF, Director  
Missouri Department of Insurance, Financial  
Institutions and Professional Registration



### CONSENT AND WAIVER OF HEARING

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



Elizabeth Glosemeyer  
2175 Forest Lane  
Arnold, MO 63010  
Telephone: (636) 282-7397  
(314) 353-1057

Respondent

10-16-14

Date

\_\_\_\_\_  
Counsel for Respondent

Name: \_\_\_\_\_

Missouri Bar No. \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Telephone: \_\_\_\_\_

\_\_\_\_\_  
Date



Kelly A. Hopper  
Counsel for Consumer Affairs Division  
Missouri Bar No. 65976  
Department of Insurance, Financial  
Institutions and Professional Registration  
301 West High Street, Room 530  
Jefferson City, Missouri 65101  
Telephone: (573) 751-1589  
Facsimile: (573) 526-5492

10/22/2014

Date