



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

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

In re:)
)
SHANNON KATHLEEN DANIELS,) **Case No. 170123104C**
)
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 Mary S. Erickson, and Respondent Shannon Kathleen Daniels have reached a settlement in this matter and have consented to the issuance of this Consent Order.

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 RSMo,¹ include the licensure, supervision, regulation, and discipline of insurance producers.

¹ All civil statutory references are to the Revised Statutes of Missouri, as updated by the 2013 Supplement, unless otherwise noted.

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 under the insurance laws of this state and has been authorized by the Director to investigate and initiate actions before the Director to enforce the laws of this state, including the insurance producer laws of this state.

3. On February 28, 2000, the Department issued Shannon Kathleen Daniels (“Daniels”) a resident insurance agent license² (License No. 0249187), which she subsequently renewed throughout the years.

4. Daniels worked at U.S. Bancorp Investments, Inc. (“U.S. Bank”) from November 30, 2011 until her termination on June 29, 2016.

5. While at U.S. Bank and serving as insurance producer and financial advisor to B.O., Daniels wrongfully took funds from B.O on eight (8) separate occasions totaling \$457,040.53:

Date	Amount	Check Number	Money Transferred To
4/8/2013	\$30,000.00	*****403	B.B.
7/8/2013	\$21,697.18	*****802	B.B.
11/4/2013	\$75,000.00	*****285	MTFS Fund
6/20/2014	\$57,831.05	*****134	MTFS Fund
1/8/2015	\$75,089.70	*****862	MTFS Fund
8/12/2015	\$63,000.00	*****787	MTFS Fund
1/7/2016	\$65,000.00	*****367	MTFS Fund
6/17/2016	\$69,422.60	*****355	MTFS Fund

6. To obtain these funds Daniels would deceive B.O to authorize various cashier’s checks made payable to either Daniels’s son, B.B.’s checking account, or to an account held in the name of “MTFS Fund.”

² Pursuant to L. 2001, SB 193 (91st Gen. Assem., 1st Reg. Sess.), effective January 1, 2003, the Department converted Missouri insurance agent licenses, such as that initially held by Daniels, to insurance producer licenses. See also § 375.012.3.

7. MTFS stood for "Mission Trip Financial Services" the purpose of which, "was to retain fundraising proceeds for Zonta Club, which take periodic mission trips to Haiti."

8. After B.O.'s funds were transferred into either B.B.'s checking account or the MTFS Fund account, Daniels subsequently transferred the funds into her own account to pay for personal expenses.

9. The funds associated with check number *****403 were withdrawn from B.O.'s Transamerica Landmark variable annuity.

10. A portion of the funds associated with check number *****285 were from proceeds of an AXA Equitable Life Insurance Company annuity.

11. B.O. was unaware of who B.B. was or what the MTFS Fund was, and B.O. did not authorize the withdrawals for the personal expenses of Daniels.

12. U.S. Bank repaid B.O. for her losses related to the misappropriation and compensated B.O. for lost gains and interest.

13. On August 18, 2016, a grand jury indicted Daniels as follows (original enumeration included):

1. On or about November 4, 2013, in Cape Girardeau County, in the Eastern District of Missouri, the defendant, SHANNON K. DANIELS, being an employee of U.S. Bank, the deposits of which were insured by the Federal Deposit Insurance Corporation, with intent to injure and defraud U.S. Bank, knowingly embezzled, purloined and willfully misapplied approximately \$75,000.00 of the moneys, funds, or credits owned by U.S. Bank, or moneys, funds, assets and securities intrusted to the custody and care of U.S. Bank, in violation of 18 U.S.C. § 656.
2. On or about January 8, 2015, in Cape Girardeau County, in the Eastern District of Missouri, the defendant, SHANNON K. DANIELS, being an employee of U.S. Bank, the deposits of which were insured by the Federal Deposit Insurance Corporation, with intent to injure and defraud U.S. Bank, knowingly embezzled, purloined and willfully misapplied approximately \$75,089.70 of the moneys, funds, or credits owned by U.S. Bank, or moneys,

funds, assets and securities intrusted to the custody and care of U.S. Bank, in violation of 18 U.S.C. § 656.

3. On or about June 17, 2016, in Cape Girardeau County, in the Eastern District of Missouri, the defendant, SHANNON K. DANIELS, being an employee of U.S. Bank, the deposits of which were insured by the Federal Deposit Insurance Corporation, with intent to injure and defraud U.S. Bank, knowingly embezzled, purloined and willfully misapplied approximately \$69,422.60 of the moneys, funds, or credits owned by U.S. Bank, or moneys, funds, assets and securities intrusted to the custody and care of U.S. Bank, in violation of 18 U.S.C. § 656.

United States v. Shannon K. Daniels, U.S. Dist. Ct., E.D.Mo., Case No. 1:16-cr-00087 (SNLJ).

14. On November 10, 2016, the Director of the Department issued a Voluntary License Surrender Order, which acknowledged receipt of Daniels's Voluntary License Surrender form.

15. On April 25, 2017, Daniels pled guilty to three (3) counts of Theft, Embezzlement, or Misapplication by Bank Officer or Employee, Class B Felonies, in violation of 18 U.S.C. § 656, as enumerated in the Indictment.³ *Id.* The court sentenced Daniels to thirty-three (33) months' incarceration for each count, to be served concurrently, to be followed by five (5) years' supervised probation, and ordered Daniels to pay \$370,784.95 in restitution. *Id.*

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

- a. Section 375.141.1(4) because Daniels misappropriated or converted moneys or properties received in the course of doing insurance business when she, while serving as an insurance producer to B.O., misappropriated or converted B.O.'s money from B.O.'s annuities.

³ All criminal statutory references are to those contained in the United States Code under which the court rendered judgment.

b. Section 375.141.1(6) because Daniels pled guilty to and was convicted of three Class B Felonies of Theft, Embezzlement, or Misapplication by Bank Officer or Employee, in violation of 18 U.S.C. § 656. *U.S. v. Shannon K. Daniels*, U.S. Dist. Ct., E.D.Mo., Case No. 1:16-cr-00087 (SNLJ).

c. Section 375.141.1(7) because Daniels admitted committing fraud. *Id.*

d. Section 375.141.1(8) because Daniels used fraudulent or dishonest practices or demonstrated untrustworthiness or financial irresponsibility in the conduct of business in this state. *Id.*

17. Daniels and the Division desire to settle the allegations raised by the Division.

18. On December ____, 2017, counsel for the Division provided a written description of the specific conduct for which discipline may be sought and a citation to the law 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 Daniels that she had sixty (60) days to review the relevant documents and consider the proposed settlement offer in accordance with § 621.045.4(2).

19. Daniels 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 whether the facts agreed to hereby constitute grounds for discipline of Daniels's resident insurance producer license.

20. Except as provided in paragraph 27 above, Daniels 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.

21. Daniels acknowledges and understands that she has the right to consult counsel at her own expense.

22. Daniels acknowledges and understands that this Consent Order is an administrative action and will be reported by the Department to other states. Daniels 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 jurisdiction in which she may be licensed.

23. 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

24. 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:

* * *

(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;

(7) Having admitted or been found to have committed any insurance unfair trade practice or fraud; [or]

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

4. The director may also revoke or suspend pursuant to subsection 1 of this section any license issued by the director where the licensee has failed to renew or has surrendered such license.

25. The allegations raised herein by the Division, and agreed to by Daniels, constitute grounds to discipline Daniels's resident insurance producer license pursuant to § 375.141.1(4), (6), (7), and (8).

26. The Director is authorized to settle this matter and issue this Consent Order pursuant to §§ 374.046, 536.060, and 621.045.

27. 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.

SETTLEMENT TERMS AND ORDER

Shannon Kathleen Daniels, by signing this Consent Order, consents to revocation of her resident insurance producer license (License No. 0249187).

IT IS ORDERED THAT Shannon Kathleen Daniels's resident insurance producer license (License No. 0249187) is hereby **REVOKED**.

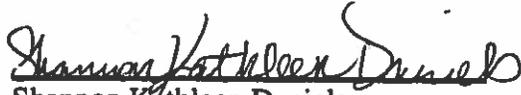
SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS 23rd **DAY OF**
February, 2018.



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 Shannon Kathleen Daniels has a right to a hearing, but that Shannon Kathleen Daniels waived the hearing and consented to the issuance of this Consent Order.



Shannon Kathleen Daniels
Respondent
Register # 46186-044
FPC Alderson
Glen Ray Rd., Box A
Alderson, WV 24910

1-30-18
Date

~~_____
Counsel for Respondent
Name: _____
Missouri Bar No. _____
Address: _____
Telephone: _____~~

Date



Mary S. Erickson, MO Bar #42579
Counsel for Consumer Affairs Division
Department of Insurance, Financial
Institutions and Professional Registration
301 West High Street, Room 530
Jefferson City, Missouri 65101
Telephone: (573) 751-2619
Facsimile: (573) 526-5492
Email: mary.erickson@insurance.mo.gov

2/13/18
Date