



CHIEF FINANCIAL OFFICER  
JEFF ATWATER  
STATE OF FLORIDA

**FILED**

OCT 01 2014

Docketed by

IN THE MATTER OF:

CASE NO.: 121146-11-AG

KATHREEN ELIZABETH CHALKER  
AKA KATHREEN ELIZABETH WALKER

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ORDER OF SUSPENSION

THIS PROCEEDING came on for final agency action and the Chief Financial Officer or his designee having considered the record in this case including the Administrative Complaint, and being fully advised in the premises, finds that:

1. Kathreen Elizabeth Chalker aka Kathreen Elizabeth Walker (the "Licensee"), license number #A300131, is currently licensed in this state as a general lines (property and casualty) agent.

2. On May 15, 2014, an Administrative Complaint ("Complaint") was issued against the Licensee. A true and correct copy of the Complaint is attached as "Exhibit A" and fully incorporated herein by reference.

3. The Licensee was notified in the Complaint of the right to request a proceeding in accordance with sections 120.569 and 120.57, Florida Statutes, and that failure to answer the Complaint or to request a proceeding within twenty-one (21) days would result in the imposition of a penalty.

4. In accordance with section 624.310(6)(a), Florida Statutes, after attempts at service via certified mail were unsuccessful, the Department served the Complaint upon the Licensee by personal service at the addresses on record with the Department. The attempts at personal service were also unsuccessful. A true and correct copy of the affidavit of non-service is attached as "Exhibit B" and fully incorporated herein by reference.

5. In accordance with sections 120.60(5) and 626.742, Florida Statutes, the Complaint was served upon the Licensee by publication in the News Herald on June 30, 2014, July 7, 2014, July 14, 2014, and July 21, 2014. A true and correct copy of the affidavit of publication is attached as "Exhibit C" and fully incorporated herein by reference.

6. The Licensee failed to answer the Complaint or to request a hearing in accordance with sections 120.569, 120.57(1) or 120.57(2), Florida Statutes.

7. Based upon the Licensee's failure to respond to the Complaint or to request a hearing, the Chief Financial Officer finds that an Order of Suspension should be entered in this case.

#### FINDINGS OF FACT

8. The factual allegations in the Complaint are deemed admitted, fully incorporated by reference in this Order of Suspension, and adopted as the Department's Findings of Fact in this case.

#### CONCLUSIONS OF LAW

9. Based upon the Findings of Fact adopted in this Order of Suspension, the Department concludes that Licensee violated the specific statutes and rules charged in each count of the attached Complaint and the Department adopts the violations charged in each count of the Complaint as the Conclusions of Law in this case.

PENALTY IMPOSED

10. The failure of the Licensee to answer the Complaint or to request a proceeding, taken together with the Findings of Fact and Conclusions of Law adopted in this Order of Suspension, constitute grounds for the Chief Financial Officer to suspend the Licensee's insurance licenses and appointments.

IT IS THEREFORE ORDERED that:

(a) All licenses, appointments and eligibility for licensure heretofore issued to Licensee, within the purview of the Department of Financial Services, are hereby SUSPENDED for a period of twenty-four (24) months.

(b) The Licensee does not have the right to apply for reinstatement of her licenses or appointments under the Florida Insurance Code for twenty-four (24) months from the filing date of this Order of Suspension. The Department shall not reinstate any of the Licensee's licenses or appointments or reinstate eligibility to hold such licenses or appointments if it finds that the circumstance(s) for which the licenses were suspended still exist or are likely to recur.

(c) During the period of suspension, the Licensee shall not engage in or attempt or profess to engage in any transaction or business for which a license or appointment is required under the Florida Insurance Code or directly or indirectly own, control, or be employed in any manner by any insurance agent or agency or adjuster or adjusting firm.

(d) The Licensee shall return to the Department of Financial Services, Bureau of Licensing, 200 East Gaines Street, Tallahassee, Florida 32399-0319, within ten (10) calendar days of the issuance of this order, all licenses issued pursuant to the Florida Insurance Code.

(e) Any person who knowingly transacts insurance or otherwise engages in insurance activities in this state without a license, or while the license(s) is/are suspended or revoked, commits a felony of the third degree.

DONE and ORDERED this 1<sup>st</sup> day of October, 2014.



Gregory Thomas  
Director, Agent & Agency Services

NOTICE OF RIGHT TO APPEAL

Any party to these proceedings adversely affected by this Order is entitled to seek review within thirty (30) days of the rendition of this Order, pursuant to section 120.68, Florida Statutes, and Rule 9.190, *Florida Rules of Appellate Procedure*. Review proceedings must be instituted by filing a petition or notice of appeal with Julie Jones, the DFS Agency Clerk. Filing with the Agency Clerk may be accomplished via U.S. Mail, express overnight delivery, hand delivery, facsimile transmission, or electronic mail. The address for overnight delivery or hand delivery is Julie Jones, DFS Agency Clerk, Department of Financial Services, 612 Larson Building, 200 East Gaines Street, Tallahassee, Florida, 32399-0390. The fax number is (850) 488-0697. The email address is Julie.Jones@myfloridacfo.com.

A copy of the petition or notice of appeal must also be filed with the appropriate district court of appeal within thirty (30) days of the rendition of this Order.

Copies Furnished To:

KATHREEN ELIZABETH CHALKER  
3910 Arbor Trace Drive  
Lynn Haven, Florida 32444

KATHREEN ELIZABETH CHALKER  
1407 Ohio Avenue  
Lynn Haven, Florida 32444

KATHREEN ELIZABETH CHALKER  
6428 Lake Joanna Circle  
Panama City, Florida 32404

GREG THOMAS, DIRECTOR  
Division of Agent & Agency Services  
200 East Gaines Street  
Tallahassee, FL 32399-0320

DERICK DEHMER  
Division of Legal Services  
200 East Gaines Street  
Tallahassee, Florida 32399



CHIEF FINANCIAL OFFICER  
JEFF ATWATER  
STATE OF FLORIDA

**FILED**

MAY 15 2014

Docketed by

A handwritten signature in black ink, appearing to be "JD", written over a horizontal line.

IN THE MATTER OF:

KATHREEN ELIZABETH CHALKER  
aka KATHREEN ELIZABETH WALKER

CASE NO.: 121146-11-AG

ADMINISTRATIVE COMPLAINT

TO: KATHREEN ELIZABETH CHALKER  
3910 Arbor Trace Drive  
Lynn Haven, Florida 32444

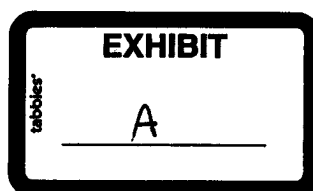
KATHREEN ELIZABETH CHALKER  
1407 Ohio Avenue  
Lynn Haven, Florida 32444

KATHREEN ELIZABETH CHALKER  
6428 Lake Joanna Circle  
Panama City, Florida 32404

You, KATHREEN ELIZABETH CHALKER, license I.D. #A300131 are hereby notified that the Chief Financial Officer of the State of Florida has caused to be made an investigation of your activities in this state as a licensed general lines (property and casualty) agent, as a result of which it is alleged:

GENERAL ALLEGATIONS

1. Pursuant to Chapter 648, Florida Statutes, you, KATHREEN ELIZABETH CHALKER (aka KATHREEN ELIZABETH WALKER), are licensed as a general lines (property and casualty) agent.



2. At all times relevant to the dates and occurrences referred to herein, you, KATHREEN ELIZABETH CHALKER, were licensed in this state as a general lines (property and casualty) agent.
3. Pursuant to Chapter 638, Florida Statutes, the Florida Department of Financial Services ("Department") has jurisdiction over your license and your eligibility for licensure.
4. At all times relevant to the dates and occurrences referred to herein, you, KATHREEN ELIZABETH CHALKER, were the owner and agent in charge of Bay Auto Insurance, Inc. ("Bay Auto Insurance"), located at 1407 Ohio Avenue, Lynn Haven, Florida 32444.
5. At all times relevant to the dates and occurrences referred to herein, you, KATHREEN ELIZABETH CHALKER, were the registered director and owner of Bay Auto Insurance, located at 1407 Ohio Avenue, Lynn Haven, Florida 32444.
6. At all times relevant to the dates and occurrences referred to herein, you, KATHREEN ELIZABETH CHALKER, had signature authority on Sun Trust Bank Account number 1000095725635 in the name of Bay Auto Insurance.
7. Bay Auto Insurance is a registered corporation with the Florida Department of State, Division of Corporations.
8. Beginning on or about January 28, 2004, you, KATHREEN ELIZABETH CHALKER, on behalf of Bay Auto Insurance, were a producer for Bristol West Insurance Group.
9. On or about March 19, 2010, Bristol West Insurance Group terminated you, KATHREEN ELIZABETH CHALKER.

COUNT I

10. The above general allegations are hereby realleged and fully incorporated herein by reference.

11. On or about February 17, 2010, P.P. purchased automotive insurance from you, KATHREEN ELIZABETH CHALKER.

12. On or about March 1, 2010, you, KATHREEN ELIZABETH CHALKER, received a cash payment of \$455.01 as insurance premium from P.P. and, in exchange, issued P.P. receipt number 800541.

13. On or about March 6, 2010, Bristol West Insurance Group issued a direct notice of cancellation to P.P. The notice of cancellation advised P.P. that his insurance premium payment was dishonored by P.P.'s financial institution despite the fact that P.P.'s payment was made in cash. As a result, Bristol West Insurance Group received no payment. Bristol West Insurance Group advised P.P. that an additional \$15 non-sufficient fund fee would be charged. Bristol West Insurance Group also stated that failure to pay the \$420.01 amount due, by March 18, 2010, would result in cancellation of P.P.'s insurance policy.

14. On March 19, 2010, Bristol West Insurance Group did not receive payment from P.P. and as a result, P.P.'s insurance policy was cancelled.

15. On or about April 5, 2010, Bristol West Insurance Group received a copy of the receipt number 800541 issued by you, KATHREEN ELIZABETH CHALKER, showing the cash premium payment made by P.P. in the amount of \$455.01.

16. Bristol West Insurance Group learned that the March 1, 2010 payment of \$405.01, which was returned for non-sufficient funds, was uploaded from a trust account in which you, KATHREEN ELIZABETH CHALKER, had signature authority.



17. As a result, you KATHREEN ELIZABETH CHALKER, failed to ensure that Bristol West Insurance Group received the cash premium payment of \$455.01 made by P.P. causing P.P's insurance policy to be cancelled.

IT IS THERFORE CHARGED that you, KATHREEN ELIZABETH CHALKER, have violated one or more of the following provisions of the Florida Statutes or Florida Administrative Code, which constitutes grounds for the suspension or revocation of your license as a Florida general lines (property and casualty) agent:

(a) Section 626.611(9), Florida Statutes, which provides that it is a violation for any applicant, agent, title agency, adjuster, customer representative, service representative, or managing general agent to exhibit fraudulent or dishonest practices in the conduct of business under the license or appointment.

(b) Section 626.611(10), Florida Statutes, which provides that it is a violation for any applicant, agent, title agency, adjuster, customer representative, service representative, or managing general agent to misappropriate, convert, or unlawfully withhold money belonging to insurers or insureds or beneficiaries or to others and received in conduct of business under the license.

(c) Section 626.621(6), Florida Statutes, which provides that it is a violation for any applicant, agent, title agency, adjuster, customer representative, service representative, or managing general agent, in the conduct of business under the license or appointment, to fail or refuse, upon demand, to pay over to any insurer he or she represents or has represented any money coming into his or her hands belonging to the insurer.

(d) Section 626.621(6), Florida Statutes, which provides that it is a violation for any applicant, agent, title agency, adjuster, customer representative, service representative, or

managing general agent, in the conduct of business under the license or appointment, to engage in unfair methods of competition or in unfair or deceptive acts or practices, as prohibited under part X of this chapter, or otherwise show oneself to be a source of injury or loss to the public interest.

## COUNT II

18. The above general allegations are hereby realleged and fully incorporated herein by reference.

19. On or about February 4, 2010, B.L. purchased automotive insurance from you, KATHREEN ELIZABETH CHALKER.

20. On or about March 3, 2010, you, KATHREEN ELIZABETH CHALKER, received a cash payment of \$64.20 as insurance premium from B.L. and, in exchange, issued B.L. receipt number 800547.

21. On or about March 10, 2010, Bristol West Insurance Group issued a notice of cancellation for non-payment of premium ("notice of cancellation") to B.L. The notice of cancellation advised B.L. that her insurance premium payment was dishonored by B.L.'s financial institution despite the fact that B.L.'s payment was made in cash. As a result, Bristol West Insurance Group received no payment. Bristol West Insurance Group advised B.L. that an additional \$15 non-sufficient fund fee would be charged. Bristol West Insurance Group also stated that failure to pay the \$79.20 amount, by March 22, 2010, would result in cancellation of B.L. insurance policy.

22. As a result, you KATHREEN ELIZABETH CHALKER, failed to ensure that Bristol West Insurance Group received the cash premium payment of \$64.20 made by B.L.

IT IS THEREFORE CHARGED that you, KATHREEN ELIZABETH CHALKER, have violated one or more of the following provisions of the Florida Statutes or Florida Administrative Code, which constitutes grounds for the suspension or revocation of your license as a Florida limited surety (bail bond) agent:

(a) Section 626.611(9), Florida Statutes, which provides that it is a violation for any applicant, agent, title agency, adjuster, customer representative, service representative, or managing general agent to exhibit fraudulent or dishonest practices in the conduct of business under the license or appointment.

(b) Section 626.611(10), Florida Statutes, which provides that it is a violation for any applicant, agent, title agency, adjuster, customer representative, service representative, or managing general agent to misappropriate, convert, or unlawfully withhold money belonging to insurers or insureds or beneficiaries or to others and received in conduct of business under the license.

(c) Section 626.621(6), Florida Statutes, which provides that it is a violation for any applicant, agent, title agency, adjuster, customer representative, service representative, or managing general agent, in the conduct of business under the license or appointment, to fail or refuse, upon demand, to pay over to any insurer he or she represents or has represented any money coming into his or her hands belonging to the insurer.

(d) Section 626.621(6), Florida Statutes, which provides that it is a violation for any applicant, agent, title agency, adjuster, customer representative, service representative, or managing general agent, in the conduct of business under the license or appointment, to engage in unfair methods of competition or in unfair or deceptive acts or practices, as prohibited under

part X of this chapter, or otherwise show oneself to be a source of injury or loss to the public interest.

WHEREFORE, you, KATHREEN ELIZABETH CHALKER, are hereby notified that the Chief Financial Officer intends to enter an Order suspending or revoking your licenses and appointments as an insurance agent or to impose such penalties as may be provided under the provisions of Sections 626.611, 626.621, 626.641, 626.681, 626.691, and 626.9521, Florida Statutes, and under the other referenced Sections of the Florida Statutes as set out in this Administrative Complaint.

#### NOTICE OF RIGHTS

You have the right to request a proceeding to contest this action by the Department of Financial Services ("Department") pursuant to Sections 120.569 and 120.57, Florida Statutes, and Rule 28-106, Florida Administrative Code. The proceeding request must be in writing, signed by you, and must be filed with the Department within twenty-one (21) days of your receipt of this notice. Completion of the attached Election of Proceeding form and/or a petition for administrative hearing will suffice as a written request. The request must be filed with Julie Jones, Agency Clerk, at the Florida Department of Financial Services, 612 Larson Building, 200 East Gaines Street, Tallahassee, Florida 32399-0390. Your written response must be received by the Department no later than 5:00p.m. on the twenty-first day after your receipt of this notice. Mailing the response on the twenty-first day will not preserve your right to a hearing.

**FAILURE TO ENSURE YOUR WRITTEN RESPONSE IS RECEIVED BY THE DEPARTMENT WITHIN TWENTY-ONE (21) DAYS OF YOUR RECEIPT OF THIS NOTICE WILL CONSTITUTE A WAIVER OF YOUR RIGHT TO REQUEST A PROCEEDING ON THE MATTERS**

**ALLEGED HEREIN AND A CEASE AND DESIST ORDER  
SHALL BE ENTERED AGAINST YOU.**

If you request a proceeding, you must provide information that complies with the requirements of Rule 28-106.2015, Florida Administrative Code. As noted above, completion of the attached Election of Proceeding form conforms to these requirements. Specifically, your response must contain:

(a) The name, address, and telephone number, and facsimile number (if any) of the respondent (for the purpose of requesting a hearing in this matter, you are the "respondent").

(b) The name, address, telephone number, facsimile number of the attorney or qualified representative of the respondent (if any) upon whom service of pleadings and other papers shall be made.

(c) A statement requesting an administrative hearing identifying those material facts that are in dispute. If there are none, the petition must so indicate.

(d) A statement of when the respondent received notice of the administrative complaint.

(e) A statement including the file number to the administrative complaint.

If a hearing of any type is requested, you have the right to be represented by counsel or other qualified representative at your expense, to present evidence and argument, to call and cross-examine witnesses, and to compel the attendance of witnesses and the production of documents by subpoena.

If a proceeding is requested and there is no dispute of material fact, the provisions of Section 120.57(2), Florida Statutes, apply. In this regard, you may submit oral or written evidence in opposition to the action taken by the Department or a written statement challenging the grounds upon which the Department has relied. While a hearing is normally not required in

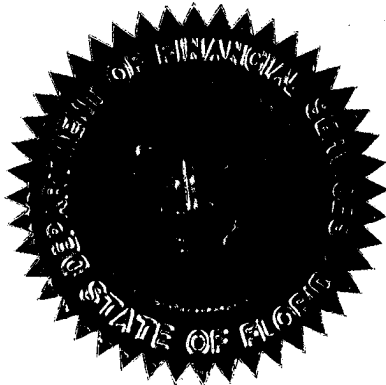
the absence of a dispute of fact, if you feel that a hearing is necessary, one will be conducted in Tallahassee, Florida, or by telephonic conference call upon your request.

However, if you dispute material facts which are the basis for the Department's action, you must request an adversarial proceeding pursuant to Sections 120.569 and 120.57(1), Florida Statutes. These proceedings are held before a State Administrative Law Judge of the Division of Administrative Hearings. Unless the majority of witnesses are located elsewhere, the Department will request that the hearing be conducted in Tallahassee, Florida.

Failure to follow the procedure outlined with regard to your response to this notice may result in the request being denied. All prior oral communication or correspondence in this matter shall be considered freeform agency action, and no such oral communication or correspondence shall operate as a valid request for an administrative proceeding. Any request for an administrative proceeding received prior to the date of this notice shall be deemed abandoned unless timely renewed in compliance with the guidelines as set out above.

Mediation of this matter pursuant to Section 120.573, Florida Statutes, is not available. No Department attorney will discuss this matter with you until the response has been received by the Department.

DATED and SIGNED this 15<sup>th</sup> day of May, 2014.



[Redacted signature area]

Gregory Thomas  
Director, Agent & Agency Services

STATE OF FLORIDA  
DEPARTMENT OF FINANCIAL SERVICES  
DIVISION OF LEGAL SERVICES

IN THE MATTER OF:

KATHREEN ELIZABETH CHALKER

CASE NO.: 136821-13-AG

**ELECTION OF PROCEEDING**

I have received and have read the Administrative Complaint filed by the Florida Department of Financial Services ("Department") against me, including the Notice of Rights contained therein, and I understand my options. I am requesting disposition of this matter as indicated below. **(CHOOSE ONE)**

1.  I do not dispute any of the Department's factual allegations and I do not desire a hearing. I understand that by waiving my right to a hearing, the Department may enter a final order that adopts the Administrative Complaint and imposes the sanctions sought, including suspending or revoking my licenses and appointments as may be appropriate.
  
2. I do not dispute any of the Department's factual allegations and I hereby elect a proceeding to be conducted in accordance with Section 120.57(2), Florida Statutes. In this regard, I desire to **(CHOOSE ONE)**:
  - Submit a written statement and documentary evidence in lieu of a hearing; or
  - Personally attend a hearing conducted by a department hearing officer in Tallahassee; or
  - Attend that same hearing by way of a telephone conference call.
  
3.  I do dispute one or more of the Department's factual allegations. I hereby request a hearing pursuant to Section 120.57(1), Florida Statutes, to be held before the Division of Administrative Hearings. I have attached to this election form the information required by Rule 28-106.2015, Florida Administrative Code, as specified in subparagraph (c) of the Notice of Rights. Specifically, I have identified the disputed issues of material fact.

**TO PRESERVE YOUR RIGHT TO A HEARING, YOU MUST FILE YOUR RESPONSE WITH THE DEPARTMENT OF FINANCIAL SERVICES WITHIN TWENTY-ONE (21) DAYS OF YOUR RECEIPT OF THE ADMINISTRATIVE COMPLAINT. THE RESPONSE MUST BE RECEIVED BY THE DEPARTMENT NO LATER THAN 5:00 P.M. ON THE TWENTY-FIRST DAY AFTER YOUR RECEIPT OF THE ADMINISTRATIVE COMPLAINT.**

The address for filing is: Julie Jones, Agency Clerk, Florida Department of Financial Services, 612 Larson Building, 200 East Gaines Street, Tallahassee, Florida 32399-0390.

Signature \_\_\_\_\_  
Date: \_\_\_\_\_  
Date Administrative  
Complaint Received: \_\_\_\_\_  
File No. (if any): \_\_\_\_\_

**If you are represented by an attorney or qualified representative, please attach to this election form his or her name, address, telephone and fax numbers.**

Print Name \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone No.: \_\_\_\_\_  
Fax No.: \_\_\_\_\_

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing ADMINISTRATIVE COMPLAINT and ELECTION OF PROCEEDING has been furnished to:

KATHREEN ELIZABETH CHALKER  
3910 Arbor Trace Drive  
Lynn Haven, Florida 32444

KATHREEN ELIZABETH CHALKER  
1407 Ohio Avenue  
Lynn Haven, Florida 32444

KATHREEN ELIZABETH CHALKER  
6428 Lake Joanna Circle  
Panama City, Florida 32404

Mail this 15<sup>th</sup> day of May, 2014.



Derick Dehmer  
Division of Legal Services  
612 Larson Building  
200 East Gaines Street  
Tallahassee, Florida 32399-0333  
Phone (850) 413-4305  
Fax (850)-4907

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91 7108 2133 3936 8028 7964

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