

**BEFORE THE DEPARTMENT OF INSURANCE  
STATE OF MISSISSIPPI**

**COMMISSIONER OF INSURANCE**

**PETITIONER**

**V.**

**CAUSE NO. 15-6894**

**DAPHNE MCQUEEN LYONS**

**RESPONDENT**

**CONSENT ORDER**

This matter was scheduled for a hearing on Thursday, August 27, 2015, at 10:00 a.m. before the Commissioner of Insurance for the State of Mississippi (hereinafter "Commissioner"), on the Notice of Hearing and Statement of Charges against Daphne McQueen Lyons. Prior to hearing, the parties reached an agreement in this matter.

This Consent Order is hereby issued by the Mississippi Department of Insurance (hereinafter "Department") in disposition of the matter captioned above.

**FINDINGS OF FACT**

**AFTER CONSIDERING** all of the evidence presented, the Commissioner of Insurance makes the following Findings of Fact:

1. Respondent holds a Mississippi resident insurance producer.
2. The Department sent a Notice of Hearing and Statement of Charges ("Notice") to Respondent, on July 8, 2015 denying her resident insurance producer license renewal application and setting the matter for hearing to review the nonrenewal and/or revocation of her insurance producer's license.
3. The Notice referenced the following violations against Respondent:
  - a. Miss. Code Ann. Section 83-17-71(1)(a) that such insurance producer has provided incorrect, misleading, incomplete or materially untrue information in the license application; specifically, by failing to report on

- her insurance renewal application that an administrative action was taken against her by the Financial Industry Regulatory Authority (“FINRA”);
- b. Miss. Code Ann. Section 83-17-71(1)(b) that such insurance producer violated any insurance laws, or violated any regulation, subpoena or order of the commissioner; specifically, by having an action taken against her by FINRA;
  - c. Miss. Code Ann. Section 83-17-71(c) that such insurance producer has obtained or has attempted to obtain a license through misrepresentation or fraud by failing to inform the Department of the FINRA action;
  - d. Miss. Code Ann. Section 83-17-71(1)(h) that such insurance producer has used fraudulent, coercive or dishonest practices or demonstrated incompetence, untrustworthiness or financial irresponsibility in the conduct of business; specifically, by forging a client’s name on a document, thereby resulting in action being taken against her by FINRA;
  - e. Miss. Code Ann. Section 83-17-81(1) that such insurance producer has failed to report to the commissioner any administrative action taken against the producer within thirty (30) days of the final disposition of the matter; specifically, by failing to report the FINRA action to the Department.
4. Respondent admitted to forging a client’s name on a document in order to convert certain securities funds in the amount of \$34,000.00 into a certified check. Respondent stated her action was done to expedite a matter. This check remained in the possession of her employer, Allstate Financial Services, LLC (“Allstate”). There was no evidence presented that the Respondent converted the funds into personal funds.
  5. Respondent admitted to failing to notify the Department of the administrative action taken against her by FINRA, either in the license application or within thirty (30) days after the final disposition of the FINRA matter.
  6. Respondent has stated that she no longer holds a securities license and has no plans to sell securities or annuities again. Her employment with Allstate continued

after the FINRA action; she is now working as a Benefits Enrollment Manager with Allstate.

7. Respondent further stated that her failure to report her FINRA action was a misunderstanding as she was told by FINRA that the administrative action taken against her would be reported by them to the Department.

### CONCLUSIONS OF LAW

**IN LIGHT OF THE AFOREMENTIONED** Findings of Fact, the Commissioner finds, and Respondent agrees, that Respondent, Daphne McQueen Lyons, has committed the following violations:


1. Miss. Code Ann. Section 83-17-71(1)(a) that such insurance producer has provided incorrect, misleading, incomplete or materially untrue information in the license application; specifically, by failing to report on her insurance renewal application that an administrative action was taken against her by the Financial Industry Regulatory Authority (“FINRA”);
2. Miss. Code Ann. Section 83-17-71(1)(h) that such insurance producer has used fraudulent, coercive or dishonest practices or demonstrated incompetence, untrustworthiness or financial irresponsibility in the conduct of business; specifically, by forging a client’s name on a document, thereby resulting in action being taken against her by FINRA; and,
3. Miss. Code Ann. Section 83-17-81(1) that such insurance producer has failed to report to the commissioner any administrative action taken against the producer within thirty (30) days of the final disposition of the matter; specifically, by failing to report the FINRA action to the Department.

**ORDER**

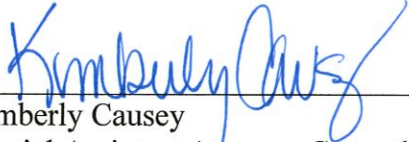
**IT IS HEREBY ORDERED**, upon agreement of the Parties and approval by the Commissioner, the following:

1. The Respondent's resident insurance producer's renewal license application shall be APPROVED and RENEWED;
2. The Respondent's license shall be on a probationary status for one (1) year. Any violation of insurance law made by Respondent during that year may result in her license being revoked;
3. The Respondent, having been found to have violated three (3) counts of insurance law, shall be and is hereby fined Two Hundred Dollars (\$200.00) for each count, for a total fine of Six Hundred Dollars (\$600.00). The Respondent shall have until December 31, 2015, to pay the fine in full. Her failure to do so will result in her insurance producer's license being suspended immediately;
4. The Respondent has agreed, and the Commissioner hereby orders, that the Respondent shall not sell annuity products in this State again.

**SO AGREED AND ORDERED** this the 2 day of Sept, 2015.

  
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MIKE CHANEY  
COMMISSIONER OF INSURANCE  
STATE OF MISSISSIPPI

AGREED AND APPROVED TO FORM:

  
\_\_\_\_\_  
Kimberly Causey  
Special Assistant Attorney General  
Counsel for Petitioner

  
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Daphne McQueen Lyons  
Respondent