

LAWRENCE G. WASDEN  
Attorney General

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State of Idaho  
Department of Insurance  
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P.O. Box 83720  
Boise, Idaho 83720-0043  
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**FILED**  
**JUN 11 2015**  
Department of Insurance  
State of Idaho

*Attorneys for the Department of Insurance*

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE**

**STATE OF IDAHO**

STATE OF IDAHO, DEPARTMENT OF  
INSURANCE,

Complainant,

vs.

JENNIFER R. RANSOM, Resident Producer  
License No. 75659,

Respondent.

Docket No. 18-3050-15

**ORDER OF DEFAULT**

The Director of the Idaho Department of Insurance (“Director”) having reviewed the record herein; and JENNIFER R. RANSOM, Resident Producer License No. 75659, having been lawfully served the Verified Complaint and Notice of Right to Hearing, a copy of which is attached hereto as Exhibit A and incorporated herein, and, as evident from the Affidavit of Richard B. Burleigh, having failed to file an answer thereto and having failed to request a hearing regarding said Verified Complaint; and the Director having found as a result thereof that

JENNIFER R. RANSOM has waived her rights regarding the opportunity for hearing; and in consideration of the premises;

IT IS HEREBY ORDERED that Resident Producer License No. 75659 issued to JENNIFER R. RANSOM is hereby REVOKED;

IT IS FURTHER ORDERED that JENNIFER R. RANSOM shall immediately return Resident Producer License No. 75659 to the Idaho Department of Insurance, P.O. Box 83720, Boise, Idaho 83720-0043;

IT IS SO ORDERED.

DATED this 11<sup>th</sup> day of June, 2015.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE



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THOMAS A. DONOVAN  
Acting Director

### **NOTIFICATION REGARDING REPORTABLE PROCEEDINGS**

This is considered a reportable administrative proceeding. As such, it is a public record and is public information that may be disclosed to other states and reported to companies of which you are actively appointed. This information will be reported to the National Association of Insurance Commissioners (NAIC) and will appear in the Idaho Department of Insurance's online searchable database. Be aware that this proceeding must be disclosed on any license application and must be reported to any and all states in which you hold an insurance license.

### **NOTIFICATION OF RIGHTS**

This constitutes a final order of the agency. Any party may file a motion for reconsideration of this final order within fourteen (14) days of the service date of this order. The agency will dispose of the petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. *See* Idaho Code § 67-5246(4).

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order may appeal it by filing a petition for judicial review in the district court of the county in which: (1) the hearing was held; or (2) the final agency action was taken; or (3) the aggrieved party resides or operates its principal place of business in Idaho; or (4) the real property or personal property that was the subject of the agency decision is located. An appeal must be filed within twenty-eight (28) days of: (a) the service date of this final order, or (b) an order denying a petition for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. *See* Idaho Code § 67-5273. The filing of a petition for judicial review to the district court does not itself stay the effectiveness or enforcement of the order under appeal.

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that I have, on this 11<sup>th</sup> day of June, 2015, caused a true and correct copy of the foregoing ORDER OF DEFAULT to be served upon the following by the designated means:

Jennifer R. Ransom  
1833 SE 3<sup>rd</sup> Way  
Meridian, ID 83642-6653

- first class mail
- certified mail
- hand delivery
- via facsimile

Richard B. Burleigh  
Deputy Attorney General  
Idaho Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
P.O. Box 83720  
Boise, ID 83720-0043

- first class mail
- certified mail
- hand delivery
- via facsimile

  
\_\_\_\_\_  
Pamela Murray

LAWRENCE G. WASDEN  
Attorney General

RICHARD B. BURLEIGH, ISB No. 4032  
Lead Deputy Attorney General  
State of Idaho  
Department of Insurance  
700 W. State Street, 3<sup>rd</sup> Floor  
P.O. Box 83720  
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[richard.burleigh@doi.idaho.gov](mailto:richard.burleigh@doi.idaho.gov)

*Attorneys for the Department of Insurance*

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Department of Insurance  
State of Idaho

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STATE OF IDAHO, DEPARTMENT OF  
INSURANCE,

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JENNIFER R. RANSOM, Resident Producer  
License No. 75659,

Respondent.

Docket No. 18-3050-15

**VERIFIED COMPLAINT AND  
NOTICE OF RIGHT TO HEARING**

The Idaho Department of Insurance (“**Department**”) complains and allege as follows:

**JURISDICTION**

1. Jurisdiction in this matter is founded in the Idaho Insurance Code, Idaho Code § 41-101 *et seq.*, including Idaho Code § 41-210, which authorizes the Director of the Department of Insurance (“**Director**”) to enforce the provisions of title 41 of the Idaho Code, including those governing the activities of JENNIFER R. RANSOM, Resident Producer License

EXHIBIT

A

No. 75659 (“**Ransom**”), as an insurance producer.

2. Jurisdiction is further founded in Idaho Code § 41-213, which authorizes the Department to institute such proceedings as deemed necessary for the enforcement of any provision of the Idaho insurance code, including but not limited to license revocation and the imposition of administrative penalties.

3. This pleading also serves as notice to Ransom of her right to contest the allegations and the requested relief, and of her right to hearing.

### **CONTROLLING LAW**

4. This action is brought pursuant to Idaho Code § 41-1016(1), which defines the causes and violations that can lead to the imposition of administrative penalties, and suspension, revocation, or refusal to issue an insurance license.

5. Idaho Code § 41-1016(1)(f) gives cause for the imposition of a penalty and action against a producer for “[b]eing convicted of or pleading guilty to any felony.”

6. Idaho Code § 41-1016(1)(h) gives cause for the imposition of a penalty and action against a producer for “[u]sing fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility, or being a source of injury and loss to the public or others, in the conduct of business in this state or elsewhere.”

7. This action is also brought pursuant to Idaho Code § 41-1021(2), which states, “Within thirty (30) days of the initial pretrial hearing date, a producer shall report to the director any criminal prosecution of the producer taken in any jurisdiction. The report shall include a copy of the initial complaint filed, the order resulting from the hearing and any other relevant legal documents.” Failure to comply with § 41-1021(2) is cause for the imposition of a penalty or action against a producer under Idaho Code § 41-1016(1)(b), which prohibits the “[violation of]

any provision of title 41, Idaho Code, department rule, subpoena or order of the director or of another state's insurance director.”

### **RESPONDENT**

8. Ransom is a resident insurance producer, currently holding Idaho Resident Insurance Producer License No. 75659. Ransom's license was originally issued on March 17, 2000, and was reissued after its expiration on May 29, 2013. Her license is scheduled to expire July 31, 2015.

9. As an authorized resident producer, Ransom is within the jurisdiction of the Director and title 41 of the Idaho Code.

### **FACTUAL ALLEGATIONS**

10. On November 13, 2014, Ransom was indicted by the United States of America in the U.S. District Court for the District of Idaho, case no. CR 14-0236-SEJL, for various allegations of Securities Fraud arising under title 15, 18, and 21 of the United States Code.

11. On November 25, 2014, Ransom made her initial appearance and trial was set for January 13, 2015.

12. On December 8, 2014, trial for Ransom was reset for July 14, 2015.

13. On April 21, 2015, Ransom entered into a Rule 11 Plea Agreement whereby Ransom pled guilty to the crime of Securities Fraud, 15 U.S.C. §§ 78j(b) and 78ff, as charged in Count Five of the Indictment, which crime is a felony.

14. The Plea Agreement states at page 5 that “[f]rom June of 2010 through September of 2010, a period during which attempts were being made to artificially inflate the market price of AEHI stock, JENNIFER R. RANSOM sold approximately 1,000,000 of her shares and

received approximately \$675,326 in return, of which approximately \$580,780 was proceeds of Securities Fraud.” Ransom agreed in the Plea Agreement to forfeit the \$580,780.

**COUNT ONE: VIOLATION OF IDAHO CODE § 41-1016(1)(f)**

15. Paragraphs 1-14 are re-alleged as if set forth in full.

16. Idaho Code § 41-1016(1)(f) permits the Department to seek an order that revokes the license of any producer who “is convicted of or pleads guilty to any felony”

17. Ransom pled guilty to a securities fraud felony.

18. As a result, the Department has cause and is entitled to an order that revokes Ransom’s resident license pursuant to Idaho Code § 41-1016(1)(f).

**COUNT TWO: VIOLATION OF IDAHO CODE § 41-1016(1)(h)**

19. Paragraphs 1-18 are re-alleged as if set forth in full.

20. Idaho Code § 41-1016(1)(h) permits the Department to seek an order that revokes the license of any producer who is deemed to have used “fraudulent, coercive or dishonest practices, or demonstrate[d] incompetence, untrustworthiness or financial irresponsibility, or [to have been] a source of injury and loss to the public or others, in the conduct of business in this state or elsewhere.”

21. Ransom’s actions underlying the criminal prosecution violate Idaho Code § 41-1016(1)(h).

22. As a result of the violations of Idaho Code § 41-1016(1)(h), the Department has cause and is entitled to an order that revokes Ransom’s resident license.

**COUNT THREE: VIOLATION OF IDAHO CODE § 41-1021(2)**

23. Paragraphs 1-22 are re-alleged as if set forth in full.



24. Idaho Code § 41-1016(1)(b) permits the Department to seek an order that suspends or revokes the license of any producer who is deemed to have “violat[ed] any provision of title 41, Idaho Code ...”

25. Idaho Code § 41-1021(2) requires a producer to report to the Department any criminal prosecution against the producer by any jurisdiction within thirty (30) days of the initial pretrial hearing.

26. The pre-trial hearing against Ransom was held November 25, 2014. Ransom was obligated to report to the Department in compliance with Idaho Code § 41-1021(2) no later than December 26, 2014.

27. Ransom never provided any report to the Department concerning the 2014 Indictment or the 2015 Plea Agreement.

28. As a result of the violations of Idaho Code § 41-1021(2), the Department has cause and is entitled to an order that revokes Ransom’s resident license pursuant to Idaho Code § 41-1016(1)(b).

#### **REQUEST FOR RELIEF**

Based upon the foregoing facts and allegations, unless the Department receives a written objection from Ransom, including the basis for the objection and a demand for hearing, within twenty-one (21) days following service of this verified complaint and notice, the Department intends to submit a proposed order to the Director whereby the Director shall revoke Ransom’s resident insurance producer license.

#### **NOTICE OF RIGHT TO A HEARING**

Pursuant to Idaho Code § 41-232A, Ransom has the right to a hearing on this matter. In order to exercise this right, a written request for a hearing must be filed and served upon the Department within 21 days after service of this Complaint. Failure to file and serve a written

request for a hearing upon the Department within the 21-day time period shall be deemed a waiver of the opportunity for a hearing and to contest the allegations in the Complaint, pursuant to Idaho Code § 41-232A(2).

Any written request for a hearing shall be served on the Director of the Idaho Department of Insurance, addressed as follows:

Thomas A. Donovan, Acting Director  
Idaho Department of Insurance  
P.O. Box 83720  
Boise, ID 83720-0043

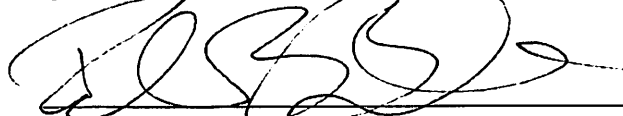
A copy shall also be provided to the Department's counsel in this matter, Brandon Karpen, Deputy Attorney General, at the following address:

Richard B. Burleigh  
Lead Deputy Attorney General  
Idaho Department of Insurance  
P.O. Box 83720  
Boise, ID 83720-0043

In lieu of a hearing, this matter may be resolved by negotiation, stipulation, agreed settlement, or consent order, pursuant to Idaho Code § 67-5241. Should you wish to discuss these options, please contact the undersigned Deputy Attorney General. If Ransom fails to submit a timely written response to the allegations within 21 days of the service of this complaint, a final order will be entered imposing the relief described above.

DATED this 15<sup>th</sup> day of May, 2015.

OFFICE OF THE ATTORNEY GENERAL



By: Richard B. Burleigh  
Lead Deputy Attorney General  
Attorney for the Department of Insurance

**VERIFICATION**

STATE OF IDAHO    )  
                              : ss.  
County of Ada        )

Lisa Tordjman, Office Services Supervisor, Agent Licensing, for the Department of Insurance, State of Idaho, being first duly sworn, deposes and says:

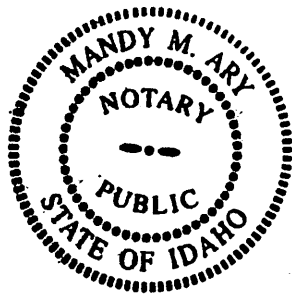
I have read the foregoing Complaint and Notice of Right to Hearing and know the contents thereof, and the same are true to the best of my knowledge and belief and based on the records of the Department.

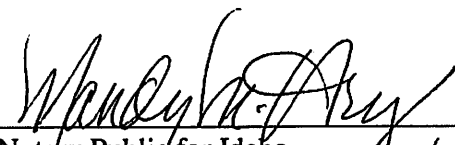
DATED this 15<sup>th</sup> day of May, 2015.



\_\_\_\_\_  
Lisa Tordjman  
Office Services Supervisor, Agent Licensing  
Idaho Department of Insurance

SUBSCRIBED AND SWORN to before me this 15<sup>th</sup> day of May, 2015.



  
\_\_\_\_\_  
Notary Public for Idaho  
My commission expires on 07/24/2018

**IDAHO CODE § 41-232A CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that I have, on this 15<sup>th</sup> day of May, 2015, and in compliance with Idaho Code § 41-232A, caused a true and correct copy of the foregoing VERIFIED COMPLAINT AND NOTICE OF RIGHT TO HEARING to be served upon the following by the designated means:

Jennifer R. Ransom  
Hyndman Farmers Insurance  
943 W Overland Rd  
Meridian, ID 83642-6541

- first class mail
- certified mail
- hand delivery
- via facsimile

Jennifer R. Ransom  
1833 SE 3<sup>rd</sup> Way  
Meridian, ID 83642-6653

- first class mail
- certified mail
- hand delivery
- via facsimile

  
\_\_\_\_\_  
Mandy Ary