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Attorney General

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FILED  
MAR 18 2020  
Department of Insurance  
State of Idaho

*Attorneys for the Department of Insurance*

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE  
STATE OF IDAHO**

***In the Matter of:***

**CHARLOTTE JANE SHEPPARD**, an individual holding Idaho Resident Producer License No. 562297; **WELLS FARGO BANK, N. A.**, incorporated under the laws of the United States of America; **AMERICAN ECONOMY INSURANCE COMPANY**, a foreign insurer holding Idaho Certificate of Authority No. 708; **AMERICAN MODERN PROPERTY & CASUALTY INSURANCE COMPANY**, a foreign insurer holding Idaho Certificate of Authority No. 4288; **BRISTOL WEST INSURANCE COMPANY**, a foreign insurer holding Idaho Certificate of Authority No. 863; **FOREMOST INSURANCE COMPANY** **GRAND RAPIDS, MICHIGAN**, a foreign insurer holding Idaho Certificate of Authority No. 278; **GENERAL INSURANCE COMPANY OF AMERICA**, a foreign insurer holding Idaho Certificate of Authority No. 340; **OHIO SECURITY INSURANCE COMPANY**, a foreign insurer holding Idaho Certificate of Authority No. 926; **PROGRESSIVE NORTHWESTERN INSURANCE COMPANY**, a foreign insurer holding Idaho Certificate of Authority No. 1822; **SAFECO INSURANCE COMPANY OF AMERICA**, a foreign insurer holding

DOCKET NO. 18-3781-20

**ORDER TO  
CEASE AND DESIST**

Idaho Certificate of Authority No. 365; **SAFECO INSURANCE COMPANY OF ILLINOIS**; a foreign insurer holding Idaho Certificate of Authority No. 1618; and **UNITED FINANCIAL CASUALTY COMPANY**, a foreign insurer holding Idaho Certificate of Authority No. 2760,

Respondents.

Pursuant to the authority found in Idaho Insurance Code, Idaho Code § 41-101 et seq., and in particular Idaho Code §§ 41-213(1)(a) and 41-305(1), as well as the Administrative Procedure Act, Idaho Code § 67-5201 et seq., the Director of the Department of Insurance, State of Idaho (“Director”), enters this Cease and Desist Order without prior notice but with the opportunity for hearing based on the following:

#### **RESPONDENTS**

1. CHARLOTTE JANE SHEPPARD (“**Sheppard**”) is a licensed Idaho resident producer, holding Idaho Resident Producer License No. 562297, which was originally issued on February 18, 2016. **Sheppard** is a director of, and is individually associated with, High Desert Insurance Inc. (“High Desert Insurance”), an Idaho corporation. High Desert Insurance is a licensed Idaho resident firm producer, holding Idaho Resident Producer License No. 555812.

2. WELLS FARGO BANK, N.A. (“**Wells Fargo**”) is an incorporated entity under the laws of the United States of America, and has a lawful certificate of authority to transact business in the state of Idaho.

3. AMERICAN ECONOMY INSURANCE COMPANY (“**American Economy**”) is a domestic insurer of the state of Indiana, and holds Idaho Certificate of Authority No. 708, authorizing it to operate as an insurer in the state of Idaho. **Sheppard** and High Desert Insurance are appointed agents of **American Economy**.

4. AMERICAN MODERN PROPERTY & CASUALTY INSURANCE COMPANY (“**American Modern**”) is a domestic insurer of the state of Ohio, and holds Idaho Certificate of Authority No. 4288, authorizing it to act as an insurer in the state of Idaho. **Sheppard** and High Desert Insurance are appointed agents of **American Modern**.

5. BRISTOL WEST INSURANCE COMPANY (“**Bristol West**”) is a domestic insurer of the state of Ohio, and holds Idaho Certificate of Authority No. 863, authorizing it to act as an insurer in the state of Idaho. High Desert Insurance is an appointed agent of **Bristol West**.

6. FOREMOST INSURANCE COMPANY GRAND RAPIDS, MICHIGAN (“**Foremost**”) is a domestic insurer of the state of Michigan, and holds Idaho Certificate of Authority No. 278, authorizing it to act as an insurer in the state of Idaho. High Desert Insurance is an appointed agent of **Foremost**.

7. GENERAL INSURANCE COMPANY OF AMERICA (“**General Insurance**”) is a domestic insurer of the state of New Hampshire, and holds Idaho Certificate of Authority No. 340, authorizing it to act as an insurer in the state of Idaho. High Desert Insurance Inc is an appointed agent of **General Insurance**.

8. OHIO SECURITY INSURANCE COMPANY (“**Ohio Security**”) is a domestic insurer of the state of New Hampshire, and holds Idaho Certificate of Authority No. 926, authorizing it to act as an insurer in the state of Idaho. High Desert Insurance is an appointed agent of **Ohio Security**.

9. PROGRESSIVE NORTHWESTERN INSURANCE COMPANY (“**Progressive**”) is a domestic insurer of the state of Ohio, and holds Idaho Certificate of Authority No. 926, authorizing it to act as an insurer in the state of Idaho. High Desert Insurance is an appointed agent of **Progressive**.

10. SAFECO INSURANCE COMPANY OF AMERICA (“**Safeco**”) is a domestic insurer of the state of Illinois, and holds Idaho Certificate of Authority No. 365, authorizing it to act as an insurer in the state of Idaho. High Desert Insurance is an appointed agent of **Safeco**.

11. SAFECO INSURANCE COMPANY OF ILLINOIS (“**Safeco Ins. Co. of Illinois**”) is a domestic insurer of the state of Illinois, and holds Idaho Certificate of Authority No. 1618, authorizing it to act as an insurer in the state of Idaho. High Desert Insurance is an appointed agent of **Safeco Ins. Co. of Illinois**.

12. UNITED FINANCIAL CASUALTY COMPANY (“**United Financial**”) is a domestic insurer of the state of Ohio, and holds Idaho Certificate of Authority No. 2760, authorizing it to act as an insurer in the state of Idaho. High Desert Insurance is an appointed agent of **United Financial**.

#### **PROCEEDINGS TO DATE**

13. Every foregoing paragraph is incorporated herein as if set forth in full.

14. A Preliminary Order was entered against **Sheppard** on Friday, March 6, 2020, by Hearing Officer Molly O’Leary in Idaho Department of Insurance Docket No. 18-3599-18. As of the undersigned date, the Preliminary Order is not a final order.

15. In the Preliminary Order, among other findings, the Hearing Officer found that **Sheppard** violated section 41-1016(1)(d), Idaho Code, twenty-three times when she misappropriated or converted funds in a premium fiduciary account in question. The Hearing Officer also found that **Sheppard** violated section 41-1016(1)(h), Idaho Code, twenty-three times when she used dishonest practices, demonstrated incompetence, untrustworthiness, or financial irresponsibility, and was a source of injury or loss to the victim or the public.

16. In addition, the Hearing Officer found that **Sheppard** had violated section 41-1024,

Idaho Code, when **Sheppard** failed to account for and pay over funds received by her to an insurer, as required by law as a fiduciary.

17. On October 29, 2018, the Blaine County Prosecutor filed a complaint in the Fifth Judicial District, Blaine County, State of Idaho, Docket No. CR07-18-03215, against **Sheppard**, alleging that **Sheppard** had committed grand theft in violation of Idaho Code § 18-2407(1).

18. The allegations of grand theft were grounded on the same set of facts as alleged in the administrative action filed by the Idaho Department of Insurance in DOI Docket No. 18-3599-18.

19. On Tuesday, March 9, 2020, in the criminal matter relating to Docket No. CR07-18-03215, before the Fifth Judicial District Court, Blaine County, State of Idaho, **Sheppard** entered a plea of guilty to the charge of grand theft. The District Court accepted the plea and set the matter for sentencing for Tuesday, May 19, 2020, at 10:00 a.m. A copy of the District Court's Minute Entry is attached hereto as "Exhibit A" and incorporated herein as if set forth in full. A copy of the District Court's Order to Report to IDOC is attached hereto as "Exhibit B" and incorporated herein as if set forth in full.

#### **FINDINGS OF FACT**

20. Every foregoing paragraph is incorporated herein as if set forth in full; and, as such are included herein as findings of fact.

21. The Director has received current, reliable and trustworthy information causing him to believe that **Sheppard** has engaged in or is about to engage in acts or practices that constitute violations of title 41, Idaho Code, to wit:

- a. **Sheppard** is transacting insurance in the state of Idaho;
- b. **Sheppard** collects premium funds from consumers;

- c. **Sheppard** deposits such premium fiduciary funds in the High Desert Insurance premium fiduciary sweep trust account;
- d. The High Desert Insurance premium fiduciary sweep account is located at **Wells Fargo**, under account number \*\*\*\*\*2956;
- e. **Sheppard** draws cash and checks on said fiduciary account to pay her personal bills and business obligations.

22. **Sheppard** does not have the right in fact to access such premium funds to pay her personal and business obligations from the High Desert Insurance premium fiduciary sweep trust account number \*\*\*\*\*2956.

23. Notice is taken that in the normal course of insurance business, consumers expect that any premium fiduciary funds paid by them to **Sheppard**, will be deposited into the High Desert Insurance premium fiduciary sweep trust account, will be used solely for payment to the respective insurer as insurance premium, will not be used to pay for **Sheppard's** personal and business obligations.

24. **Sheppard** causes harm to her consumers and their insurers when **Sheppard** diverts insurance premium from the said premium fiduciary sweep trust account to pay her personal and business bills and obligations.

25. **Sheppard's** continued access to the High Desert Insurance premium fiduciary sweep trust account will likely continue to be a source of injury to Idaho consumers, insurers, and the public, and to High Desert Insurance.

26. **Sheppard** is a principal of High Desert Insurance and, as such, she has the access and capacity to write and transact insurance on behalf of insurers for which she is appointed, and on behalf of insurers for which High Desert Insurance is appointed.

27. **Sheppard** has continued to operate and function as a producer contrary to the standards of law as provided in title 41, Idaho Code; and by doing so, **Sheppard** acts in a manner that demonstrates a lack of care for the rights of consumers and insurers in the transaction of insurance in the state of Idaho.

### **CONCLUSIONS OF LAW**

28. Idaho Code § 41-1024(1) provides in relevant part:

All fiduciary funds received or collected by a producer shall be trust funds received by the producer in a fiduciary capacity, and the producer shall, in the applicable regular course of business, account for and pay the same to the person entitled to the funds. The producer shall establish a separate account for funds belonging to others in order to avoid a commingling of such fiduciary funds with his own funds.

29. **Sheppard** is in violation of Idaho Code § 41-1024, to wit: **Sheppard** uses the premium funds located in the High Desert Insurance premium fiduciary sweep trust account number \*\*\*\*\*2956 to pay her personal bills and business obligations.

30. Idaho Code § 41-1024 and Department of Insurance Rule 18.06.02 [IDAPA 18.06.02] maintain certain requirements and standards for the conduct of producers in maintaining a fiduciary sweep account, deposits, types of permitted accounts, account designation, interest earnings, permitted distribution of fiduciary funds, audit of fiduciary funds, and certain prohibited practices.

31. The premium fiduciary accounts as provided in Idaho Code § 41-1024 and IDAPA 18.06.02 are subject to the jurisdiction of the Director of the Idaho Department of Insurance.

32. Both domestic and foreign insurers in the state of Idaho are required to obtain a certificate of authority before transacting insurance in the state of Idaho in accordance with section 41-305, Idaho Code. Domestic and foreign insurers in the state of Idaho are subject to the jurisdiction of the Director of the Idaho Department of Insurance.

33. A cease and desist order should be entered in this matter against **Sheppard** to prevent further transaction of insurance and to prevent further harm to consumers and to the public; and a cease and desist order should be entered in this matter, ordering **Wells Fargo** to cease and desist from permitting **Sheppard** to deposit, cash, negotiate or in any other manner have access to the Wells Fargo Simple Business Checking Account No. \*\*\*\*\*2956, an account belonging to High Desert Insurance; and a cease and desist order should be entered in this matter, ordering any and all insurers as identified hereinabove, to cease and desist from transacting insurance with **Sheppard** including but not limited to accepting further insurance business, and paying any commissions or monies from the insurer to **Sheppard**.

34. A cease and desist order is an appropriate relief in this matter as the cause against the **Sheppard** was previously filed in an administrative action and in the Fifth Judicial District of the State of Idaho, Blaine County, and based on the findings of fact herein, **Sheppard** continues to be an immediate danger to her consumers and to the public.

### **ORDER**

**NOW, THEREFORE**, acting pursuant to the public interest and Idaho Code § 41-213(1)(a),

**TO: CHARLOTTE JANE SHEPPARD:**

**IT IS HEREBY ORDERED** that **CHARLOTTE JANE SHEPPARD** shall immediately **CEASE AND DESIST** from the selling, solicitation, negotiation, and transaction of any and all insurance business within the state of Idaho; and

**IT IS FURTHER ORDERED** that **CHARLOTTE JANE SHEPPARD** shall immediately **CEASE AND DESIST** from accepting any payments for insurance premium or other like payment, or from cashing any insurance premium drafts or checks, from any person or



consumer tendered for the payment of insurance premium or payment; and

**IT IS FURTHER ORDERED** that **CHARLOTTE JANE SHEPPARD** shall immediately **CEASE AND DESIST** from depositing or negotiating any cash or insurance premium drafts or checks, into or out of the High Desert Insurance account maintained as Wells Fargo Account No. \*\*\*\*\*2956, or any other such account operated or owned by High Desert Insurance or Charlotte Jane Sheppard.

**TO: WELLS FARGO, N.A.:**

**IT IS HEREBY ORDERED** that **WELLS FARGO, N.A.** shall immediately **CEASE AND DESIST** from authorizing or permitting **CHARLOTTE JANE SHEPPARD** to access, cash from, deposit to, or otherwise negotiate with, or in any manner giving or permitting **CHARLOTTE JANE SHEPPARD** to gain access to: the High Desert Insurance account maintained as Wells Fargo Account No. \*\*\*\*\*2956, or any other such premium fiduciary trust account held or owned by High Desert Insurance or Charlotte Jane Sheppard.

**TO THE FOLLOWING INSURER RESPONDENTS:**

**AMERICAN ECONOMY INSURANCE COMPANY;  
AMERICAN MODERN PROPERTY & CASUALTY INSURANCE COMPANY;  
BRISTOL WEST INSURANCE COMPANY;  
FOREMOST INSURANCE COMPANY GRAND RAPIDS, MICHIGAN;  
GENERAL INSURANCE COMPANY OF AMERICA;  
OHIO SECURITY INSURANCE COMPANY;  
PROGRESSIVE NORTHWESTERN INSURANCE COMPANY;  
SAFECO INSURANCE COMPANY OF AMERICA;  
SAFECO INSURANCE COMPANY OF ILLINOIS;  
and UNITED FINANCIAL CASUALTY COMPANY:**

**IT IS HEREBY ORDERED** that the above-named **INSURER RESPONDENTS** shall immediately **CEASE AND DESIST** from transacting insurance business with, or otherwise accepting insurance business from, **CHARLOTTE JANE SHEPPARD**; and

**IT IS FURTHER ORDERED** that the above-named **INSURER RESPONDENTS** shall immediately **CEASE AND DESIST** from paying, forwarding, crediting, or otherwise sending any further commissions or payments in any form to **CHARLOTTE JANE SHEPPARD**.

**NOTICE**

**THE RESPONDENTS ARE HEREBY NOTIFIED** that this Cease and Desist Order is a final order of the Director, subject to each of the foregoing Respondents' right to timely file a motion for reconsideration or a request for hearing. Pursuant to Idaho Code §§ 41-232 and 67-5246, a Respondent may file a motion for reconsideration of this Cease and Desist Order or a request for hearing within fourteen (14) days of the service of this Order.

Any hearing and subsequent proceedings in this matter will be conducted in accordance with Chapter 2, Title 41, Idaho Code, and the Idaho Administrative Procedure Act, Idaho Code § 67-5201, *et seq.*

If a Respondent timely files a motion for reconsideration, the Department will dispose of such motion within twenty-one (21) days of its receipt, or the motion will be considered denied by operation of law, pursuant to Idaho Code § 67-5246(4).

If a Respondent timely files a request for hearing, the Respondent will be notified of the date, time and place of the hearing, as well as the name of the presiding officer. At the hearing, the Respondent will be entitled to enter an appearance, introduce evidence, examine and cross-examine witnesses, make arguments, and generally participate in the conduct of the proceedings. The Respondent may also be represented by legal counsel at its own expense.

Any motion for reconsideration or request for hearing must be timely made in writing, addressed to:

Pamela Murray  
Assistant to the Director

Idaho Department of Insurance  
P.O. Box 83720  
Boise, Idaho 83720-0043  
(208) 334-4217

With a copy sent to:

John C. Keenan  
Deputy Attorney General  
Idaho Department of Insurance  
P.O. Box 83720  
Boise, Idaho 83720-0043

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order may appeal from such order to the district court by filing a petition in the district court of the county in which:

- a. a hearing was held;
- b. the final agency action was taken;
- c. the party seeking review of the order resides, or
- d. the real property or personal property that was the subject of the agency action is located.

An appeal must be filed within twenty-eight (28) days: (a) of the issuance of this Order, (b) of the issuance of an order denying a motion for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. Idaho Code § 67-5273(2). The filing of an appeal to the district court does not itself stay the effectiveness of enforcement of the order being appealed.

**IT IS SO ORDERED.**

DATED THIS 17<sup>th</sup> day of March 2020.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE

  
DEAN L. CAMERON  
DIRECTOR

### CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 18<sup>th</sup> day of March, 2020, I caused a true and correct copy of the foregoing ORDER TO CEASE AND DESIST to be served upon the following by the designated means:

Charlotte Jane Sheppard P.O. Box 312 Richfield, ID 83349-0312 <a href="mailto:charhighdesertinsurance@gmail.com">charhighdesertinsurance@gmail.com</a>	<input checked="" type="checkbox"/> first class mail <input type="checkbox"/> certified mail <input type="checkbox"/> hand delivery <input type="checkbox"/> facsimile <input checked="" type="checkbox"/> email
Charlotte Jane Sheppard 290 E. Elmore Richfield, ID 83349	<input checked="" type="checkbox"/> first class mail <input type="checkbox"/> certified mail <input type="checkbox"/> hand delivery <input type="checkbox"/> facsimile <input type="checkbox"/> email
Stratton P. Laggis, Esq. Reichert Laggis, PLLC 420 S. 4 <sup>th</sup> Avenue Pocatello, ID 83201 <a href="mailto:stratton@rldaholaw.com">stratton@rldaholaw.com</a>	<input checked="" type="checkbox"/> first class mail <input type="checkbox"/> certified mail <input type="checkbox"/> hand delivery <input type="checkbox"/> facsimile <input checked="" type="checkbox"/> email
Jeffrey E. Rolig, Esq. P.O. Box 5455 Twin Falls, ID 83303 <a href="mailto:jrolig@roliglaw.com">jrolig@roliglaw.com</a>	<input checked="" type="checkbox"/> first class mail <input type="checkbox"/> certified mail <input type="checkbox"/> hand delivery <input type="checkbox"/> facsimile <input checked="" type="checkbox"/> email
High Desert Insurance, Inc. Russell Alan Parker 42 N. Highway 75 Shoshone, ID 83352 <a href="mailto:rusty@weinsureidaho.com">rusty@weinsureidaho.com</a>	<input checked="" type="checkbox"/> first class mail <input type="checkbox"/> certified mail <input type="checkbox"/> hand delivery <input type="checkbox"/> facsimile <input checked="" type="checkbox"/> email
Wells Fargo, N.A. 877 W. Main Street, Ste. 100 Boise, ID 83702	<input type="checkbox"/> first class mail <input type="checkbox"/> certified mail <input checked="" type="checkbox"/> hand delivery <input type="checkbox"/> facsimile <input type="checkbox"/> email
American Economy Insurance Company 175 Berkeley Street Boston, MA 02116 <a href="mailto:DOIComplaints@libertymutual.com">DOIComplaints@libertymutual.com</a>	<input checked="" type="checkbox"/> first class mail <input type="checkbox"/> certified mail <input type="checkbox"/> hand delivery <input type="checkbox"/> facsimile <input checked="" type="checkbox"/> email

American Modern Property & Casualty Insurance Company P.O. Box 5323 Cincinnati, OH 45201 <a href="mailto:complaints@amig.com">complaints@amig.com</a>	<input checked="" type="checkbox"/> first class mail <input type="checkbox"/> certified mail <input type="checkbox"/> hand delivery <input type="checkbox"/> facsimile <input checked="" type="checkbox"/> email
Bristol West Insurance Company 900 South Pine Island Road Plantation, FL 33324 <a href="mailto:Mary.Aguilera@bristolwest.com">Mary.Aguilera@bristolwest.com</a> <a href="mailto:customerexperience@farmersinsurance.com">customerexperience@farmersinsurance.com</a>	<input checked="" type="checkbox"/> first class mail <input type="checkbox"/> certified mail <input type="checkbox"/> hand delivery <input type="checkbox"/> facsimile <input checked="" type="checkbox"/> email
Foremost Insurance Company Grand Rapids, Michigan 5600 Beech Tree Lane Caledonia, MI 49316 <a href="mailto:customerexperience@farmersinsurance.com">customerexperience@farmersinsurance.com</a>	<input checked="" type="checkbox"/> first class mail <input type="checkbox"/> certified mail <input type="checkbox"/> hand delivery <input type="checkbox"/> facsimile <input checked="" type="checkbox"/> email
General Insurance Company of America 175 Berkeley Street Boston, MA 02116 <a href="mailto:DOIComplaints@libertymutual.com">DOIComplaints@libertymutual.com</a>	<input checked="" type="checkbox"/> first class mail <input type="checkbox"/> certified mail <input type="checkbox"/> hand delivery <input type="checkbox"/> facsimile <input checked="" type="checkbox"/> email
Ohio Security Insurance Company 175 Berkeley Street Boston, MA 02116 <a href="mailto:DOIComplaints@libertymutual.com">DOIComplaints@libertymutual.com</a>	<input checked="" type="checkbox"/> first class mail <input type="checkbox"/> certified mail <input type="checkbox"/> hand delivery <input type="checkbox"/> facsimile <input checked="" type="checkbox"/> email
Progressive Northwestern Insurance Company 6300 Wilson Mills Road, W33 Cleveland, OH 44143-2182 <a href="mailto:complaintfile@progressive.com">complaintfile@progressive.com</a>	<input checked="" type="checkbox"/> first class mail <input type="checkbox"/> certified mail <input type="checkbox"/> hand delivery <input type="checkbox"/> facsimile <input checked="" type="checkbox"/> email
Safeco Insurance Company of America 175 Berkeley Street Boston, MA 02116 <a href="mailto:DOIComplaints@libertymutual.com">DOIComplaints@libertymutual.com</a>	<input checked="" type="checkbox"/> first class mail <input type="checkbox"/> certified mail <input type="checkbox"/> hand delivery <input type="checkbox"/> facsimile <input checked="" type="checkbox"/> email
Safeco Insurance Company of Illinois 175 Berkeley Street Boston, MA 02116 <a href="mailto:DOIComplaints@libertymutual.com">DOIComplaints@libertymutual.com</a>	<input checked="" type="checkbox"/> first class mail <input type="checkbox"/> certified mail <input type="checkbox"/> hand delivery <input type="checkbox"/> facsimile <input checked="" type="checkbox"/> email

United Financial Casualty Company 6300 Wilson Mills Road, W33 Cleveland, OH 44143-2182 <a href="mailto:complaintfile@progressive.com">complaintfile@progressive.com</a>	<input checked="" type="checkbox"/> first class mail <input type="checkbox"/> certified mail <input type="checkbox"/> hand delivery <input type="checkbox"/> facsimile <input checked="" type="checkbox"/> email
John C. Keenan Deputy Attorney General Idaho Department of Insurance 700 W. State Street, 3 <sup>rd</sup> Floor Boise, ID 83720-0043	<input type="checkbox"/> first class mail <input type="checkbox"/> certified mail <input checked="" type="checkbox"/> hand delivery <input type="checkbox"/> facsimile <input type="checkbox"/> email

  
 \_\_\_\_\_  
 Pamela A. Murray

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF  
THE STATE OF IDAHO, IN AND FOR THE COUNTY OF BLAINE

State of Idaho  
Plaintiff,  
vs.  
Charlotte J Sheppard  
Defendant.

Case No. CR07-18-03215

Court Minutes

JUDGE: Williamson, Ned C  
CLERK: Heidi Schiers  
HEARING TYPE: Pre-trial Conference

DATE: March 09, 2020  
LOCATION: District Courtroom 1  
COURT REPORTER: Sue Israel  
INTERPRETER:

Parties Present:

State of Idaho Attorney: Matthew E. Fredback  
Charlotte J Sheppard Attorney: Stratton Paul Laggis

Hearing Start Time: 10:19 AM

10:19	Court calls case. State represented by Mr. Matthew Fredback. Def present with counsel, Mr. Stratton Laggis. Def confirms she reviewed the Guilty Plea Advisory with Mr. Laggis. Court questions if there is a written plea offer in this case. There is not. Mr. Fredback comments that he believes they are operating under the plea offer he had provided to Mr. Valdez.
10:21	Mr. Fredback states the plea agreement. Def has agreed to plea of guilty to grand theft. 3+2=5 yrs, suspended; 4 yrs probation. The State is free to make recs including 60 days county jail. Part of probation will be the question of restitution. If that is paid, and there are no other problems on probation, State would agree to reduce the probation length to 3 yrs. Fine at Court's discretion, plus court costs. Restitution of \$3,744.33. Def is free to argue for a lesser sentence. Court notes that the Guilty Plea Advisory form says something different. Probation would be transferred to Lincoln County.
10:23	Mr. Laggis confirms that the agreement as stated by Mr. Fredback is correct. He comments that the Lincoln County probation is likely to occur, since Def lives in Lincoln County. 3 yrs probation, as outlined by Mr. Fredback; fine at Court's discretion. Court refers to Question #33. Court understood that Ms. Sheppard has not agreed to pay restitution. Mr. Laggis comments that the amount has not been agreed upon, but it is unlikely they will object to restitution being ordered, or to the amount. Def understands that she would not be able to withdraw her guilty plea. Def understands that the State will rec 60 days county jail.
10:26	Def is sworn under oath and questioned by the Court. Def is not under the influence. Court reviews the elements of the charge. Def reviewed these with Mr. Laggis, and she understands them. Court advises Def of max. penalties and other potential consequences. The max up to 20 yrs in prison, \$10,000 fine.

	Mr. Fredback corrects that the penalty for this crime is 14 yrs and \$5,000 fine. Def understands that restitution could be ordered.
10:31	Court advises Def of rights waived with guilty plea. Def understands. No questions. Def has discussed the plea agreement with Mr. Laggis, and she is in agreement. Court is not bound by the plea agreement. Def has received no promises or threats. Def is satisfied with counsel.
10:36	Def understands she is waiving defenses as part of guilty plea. She does not wish to have a jury trial.
10:37	<b>Def pleads guilty to grand theft {F} and admits elements of offense.</b> Mr. Fredback clarifies. The statute does not require that Def would have received the amounts. Mr. Laggis also clarifies. He notes the issues and defenses which they discussed. Court questions the number of transfers. Mr. Laggis responds that there were 23 transfers, with restitution of appx. \$3,700. Def – this was for auto insurance. There was no money reimbursed to the sweep account. This plea is made with consent and advice of Def's attorney.
10:42	<b>Court accepts guilty plea as knowing, voluntary, and having a factual basis. Court orders presentence investigation and sets sentencing for Tuesday, May 19, 2020 at 10:00 am.</b> Mr. Fredback anticipates that the victims will likely want to speak at the sentencing.
10:45	Recess.

**Hearing End Time: 10:45 AM**



IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT OF  
THE STATE OF IDAHO, IN AND FOR THE COUNTY OF BLAINE

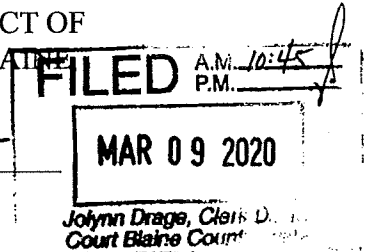
STATE OF IDAHO

vs.

CHARLOTTE J. SHEPPARD  
Defendant

Case No. CR 07-18-3215

**Order to Report to IDOC**



Event Code: ORTR

- ☒ The defendant changed their plea to guilty or has been found guilty of a felony offense and a Pre-Sentence Investigation Report was ordered. Defendant is
- ☐ in-custody and does not have to report but if defendant should bond out or be released from custody on O.R. release defendant shall report as ordered below.
- ☒ out on Bond/O.R. Release and shall report as ordered below.
- ☐ The defendant was sentenced on a felony offense or returned from a retained jurisdiction program and placed on supervised probation. Defendant shall report as ordered below.


**IT IS HEREBY ORDERED:**

That the **DEFENDANT SHALL REPORT** to the Idaho Department of Correction no later than 24 hours from the date and time of this Order, and shall report to:


- ☒ District 5 Community Corrections Probation and Parole (731 Shoup Ave. West, Twin Falls, Idaho, 83301 (208)736-3080. Ext. 10), or
- ☐ Probation/Parole Officer, Kevin Wayt, (208) 280-1253 as directed by the Court.

***Failure to obey this Court Order is punishable as contempt of court and/or by revocation of bond/release and/or by issuance of a warrant for your arrest***

**IT IS SO ORDERED** 3-9-20.

  
District Judge

Copies:  
Prosecutor: Emailed (✓) blainecountyprosecutor@co.blaine.id.us  
Defense Counsel: Emailed (✓) stratton@rlidaholaw.com  
Defendant: Hand Delivered (✓)  
Fifth District Felony Probation: Emailed - dist5@idoc.idaho.gov ✓

  
Deputy Clerk of the District Court