

Cairns, Kelly (OIC)

From: Colman, Darryl (OIC)
Sent: Monday, March 23, 2015 10:38 AM
To: Cairns, Kelly (OIC); 'Karla Padilla'
Subject: RE: exhibit

Kelly,

Would you please forward to Judge Finkle? Thanks,

Darryl

Dear Judge Finkle –

I note that this business card has nothing to do with the Serratos statement, and was filed more than one day after the OIC submitted Ms. Serratos' statement, which was filed by the OIC with Ms. Cairns on Thursday, March 19, 2015. I object on that basis.

To the extent that it is considered, an undated business card is not really evidence that Ms. Padilla Reyna was not working in the insurance business at the time in question. As is common knowledge, people can work more in more than one occupation at the same time. It certainly does not refute the fact that Ms. Padilla Reyna's insurance producer email address was used to submit an application for a new insurance business in September 2014. The email submitting the application to the OIC used only Ms. Padilla Reyna's email signature, without qualification. The new business has Ms. Padilla Reyna's name in the corporate title, and the business address is exactly the same as her insurance business address (Exhibit 26). By her admission, it is the same building, which she owns. The most plausible explanation for this is that it is Ms. Padilla Reyna's old business, under a new name, changed in anticipation of the OIC's licensing action.

More broadly, the OIC respectfully moves that the record in this case be closed, and no new exhibits be admitted henceforth. This way neither the OIC or Your Honor are burdened with voluminous subsequent submissions by Ms. Padilla Reyna that have little to do with either the Torres recording or the Serratos statement. Thank you,

Darryl E. Colman
Insurance Enforcement Specialist, Legal Affairs
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Olympia, WA 98504-0255
(360)725-7118; (360) 586-0152 (fax)
DarrylC@oic.wa.gov

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From: Cairns, Kelly (OIC)
Sent: Monday, March 23, 2015 9:58 AM
To: 'Karla Padilla'
Cc: Colman, Darryl (OIC)
Subject: RE: exhibit

Ms. Padilla Reyna,

Your email with the attachment was filed this morning and forwarded to Judge Finkle and Mr. Colman. Please copy Mr. Colman on all emails that you intend to go to Judge Finkle.

Thank you,

Kelly

From: Karla Padilla [<mailto:excelsior4944@gmail.com>]

Sent: Monday, March 23, 2015 7:54 AM

To: Cairns, Kelly (OIC)

Subject: exhibit

Kelly,

Picture of my business card with Banner Bank, please forward to judge Finkle, for some reason Mr. Colman seemed to imply that I still worked at KPR Insurance.

thank you

Cairns, Kelly (OIC)

From: Karla Padilla [excelsior4944@gmail.com]
Sent: Monday, March 23, 2015 7:54 AM
To: Cairns, Kelly (OIC)
Subject: exhibit
Attachments: karla pic.pdf

Kelly,

Picture of my business card with Banner Bank, please forward to judge Finkle, for some reason Mr. Colman seemed to imply that I still worked at KPR Insurance.

thank you



Karla Padilla-Reyna
Residential Loan Officer
NMLS# 1245694

Phone 509.573.6742
Cell 509.333.4944



kpadilla-reyna@bannerbank.com
bannerbank.com
4104 Terrace Heights Drive - Yakima, WA 98901

Cairns, Kelly (OIC)

From: Colman, Darryl (OIC)
Sent: Monday, March 23, 2015 12:32 PM
To: Cairns, Kelly (OIC); 'Karla Padilla'
Subject: RE: response to Mr. Colman statements

Kelly,

Would you please forward to Judge Finkle? Thanks,

Darryl

Dear Judge Finkle –

I note that this response was filed more than one day after the OIC submitted Ms. Serratos' statement, which was filed by the OIC with Ms. Cairns on Thursday, March 19, 2015. The vast majority also does not concern Ms. Serratos' statement. I object on these bases.

To the extent that it is considered, this response adds little to the question of Ms. Serratos' statement. The translation is consistent with what Ms. Serratos told Ms. Hansen, and also with what State Farm discovered: that Ms. Serratos did not have the necessary coverage for her tires and wheels, which were stolen, that Ms. Serratos was upset that she didn't have the correct coverage (through Ms. Padilla Reyna), and that Ms. Padilla Reyna's employee, Ms. Escobar, submitted an English complaint to the OIC for Ms. Serratos that contained statements Ms. Serratos did not make. When Ms. Serratos found out what Ms. Escobar had submitted, she was rightfully upset. Ms. Padilla Reyna attempts to contradict Ms. Serratos' own statements with testimony by Ms. Isabel Briceno, as well as Ms. Escobar. Ms. Escobar already related Ms. Serratos' words incorrectly in her "complaint" to the OIC, giving reason to doubt her credibility. As for Ms. Briceno, who is a current client of Ms. Padilla Reyna, her testimony was based on a single alleged conversation with Ms. Serratos in February 2012. Ultimately, it is up to Your Honor to determine which version is more credible.

As for the Miguel Torres issue, Ms. Padilla Reyna still has not provided proof that she ever submitted down payments on the second and third Torres policies with Appalachian. She has failed to explain why, on the third policy, she first wrote an NSF check to Appalachian, then put the bill on her credit card, and then cancelled her credit charge for "fraud." (Exhibits 7, 8, and 25). She continues to claim that she cancelled the Appalachian policies, when the policy documents themselves consistently show they were cancelled for non-payment. (Exhibits 10 and 11). As Mr. Bevins testified, there is no record of Ms. Padilla Reyna's claimed communications with Appalachian, where Appalachian's business practice is to keep such records. Mr. Torres also confirms on the recording that he gave Ms. Padilla Reyna his correct address multiple times, but she did not correct it until the March 2013 policy (which is not at issue in this matter, and was not with Appalachian). Accordingly, Mr. Torres did not receive any notices from Appalachian. These actions violated RCW 48.17.530(1)(d) and (h), as well as RCW 48.17.480.

As for the State Farm settlement, Ms. Padilla Reyna sent a copy ("State Farm Padilla Reyna Settlement") to the OIC and Ms. Cairns by email on February 12, 2015. Contrary to Ms. Padilla Reyna's claim, State Farm did not admit or imply any wrongdoing. In fact, paragraph 5 of that agreement provides that:

"5. This Agreement is part of a compromise and settlement of contested claims. No action taken by the Parties to the Agreement shall be deemed or construed to be an admission by any of the parties hereto, their officers, agents, employees, successors, and assigns, as to the truth or falsity of any matter pertaining to any claim, demand, or cause of action referred to herein or relating to the subject matter of this Agreement. Defendants specifically disclaim any liability to, or any wrongdoing against, Plaintiffs." (State Farm Padilla Reyna Settlement, Pages 2-3.)

Moreover, it is Ms. Padilla Reyna that was obligated to keep the settlement confidential, not State Farm. (State Farm Padilla Reyna Settlement, Page 3, Para. 8.) As for the items submitted by State Farm, Ms. Padilla Reyna did not ask for dismissal at the appropriate time: the hearing. Not only are the State Farm exhibits created for the purpose of an investigation, but the documents contain explanations of how they were created, include statements by witnesses that are otherwise unavailable, and feature State Farm business records that help corroborate State Farm's conclusions. To the extent that the State Farm exhibits would be objectionable hearsay in Superior Court, it bears mention that in administrative proceedings, "Evidence, including hearsay evidence, is admissible if in the judgment of the presiding officer it is the kind of evidence on which reasonably prudent persons are accustomed to rely in the conduct of their affairs." RCW 34.05.452(1). The fact that the State Farm exhibits were prepared in the context of a clearly extensive investigation, based on State Farm's business records, where Ms. Hanson's investigation and comments from consumers support the findings in the report, helps show that the State Farm exhibits should remain admitted, even if Ms. Padilla Reyna's late objection is considered.

Finally, I object very strongly to Ms. Padilla Reyna's allegations of bias on the part of the OIC or its staff. The OIC takes its duty of making sure insurance producers are "preserving inviolate the integrity of insurance" very seriously. RCW 48.01.030. After a thorough and difficult investigation, the OIC found the complaints of consumers and businesspersons, supported by extensive documentation, more credible than the Licensee's self-serving testimony, and that of her business associates, especially where she was unable to produce substantial documentation of her claims, despite the incentive to do so. We respectfully request that Your Honor do the same and uphold OIC's Order Revoking License. Thank you.

Darryl E. Colman
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From: Cairns, Kelly (OIC)
Sent: Monday, March 23, 2015 9:58 AM
To: 'Karla Padilla'
Cc: Colman, Darryl (OIC)
Subject: RE: response to Mr. Colman statements

Ms. Padilla Reyna,

Your statement was filed this morning and forwarded to Judge Finkle and Mr. Colman. Please copy Mr. Colman on all emails that you intend to go to Judge Finkle.

Thank you,

Kelly

From: Karla Padilla [<mailto:excelsior4944@gmail.com>]

Sent: Monday, March 23, 2015 8:46 AM

To: Cairns, Kelly (OIC)

Subject: response to Mr. Colman statements

Mr. Colmans and Ms. Hansens allegations are based solely on hearsay, there is no evidence to corroborate the allegations. the consistently ignored key evidence that was presented in their incompetent rush to accuse. The reason the allegations from State Farm all sound the same is that they originated from the same source. State Farm poisoned these people into believing something untrue. A blind person would be able to see what State Farms intentions were. All the items provided to MS. Hansen by State Farm should be dismissed, they are all based on hearsay, and State Farm all but admitted guilt to this when they settled out of court.

Ms. Hanson also stated that they asked me to stay on two extra months and paid me an extra bonus to " get me out of their hair"? how does this statement make sense?

Ms. Hansen has clearly lost all objectivity in this case and made this personal as she has time and time again ignored facts, submitted items as "evidence" knowing they were untrue and has clearly chosen to believe all the allegations made by State Farm , regardless of their validity. This was made most evident when she chose to accuse a law enforcement officer of wrong doing in open court with no evidence to back up her deplorable allegations. Being a former law enforcement officer, I would of expected she would know better than to accuse and attempt to smear the reputation of a decorated officer.

Mr. Reyna, in his fifteen years of service has put on citizens academies on multiple occasions. He has done this in his own personal time and own expense. The academy helps educate members of the community of their rights and the rights of law enforcement. It helps to bridge a gap to build a better community, especially with those who may be fearful of law enforcement. He also has put on a monthly radio show to answer citizens' questions about the law and make them feel more at ease about reporting crime or knowing what to do in certain situations. For Ms. Hansen to try to disparage his reputation with no evidence or knowing nothing of Officer Reyna, is truly disturbing and is a further example of her desperation and reaching to try to build a transparent case.

Ms. Serratos statement has been challenged by several key witnesses. Ms. Isabel Bricenos testimony corroborates what Ms. Serratos told my staff on February 14, she changed her statement I believe after State Farm agreed to pay her loss, a loss that should not have been paid especially if she was running a business from her home and did not disclose it. She was clearly coerced, another example of the bad behavior on the part of State Farm.

Mr. Torres corroborates what I have been saying, Appalachian continues to send documents to him until August 2013, a full six months after we transferred policies. Mr. Bevins denied this under questioning, after I told him that I read the letter, called his representatives and they validated that they did send a renewal, I made this call in front of Mr. Torres and Mr. Loreto. I have stated time and time again that there was problems with this policy, I called all parties involved several times and could not get help with it. it was not until I transferred the policy that they took notice and finally decided to do something about it. I sent payments and the premium check on multiple occasions to both parties and they were returned, always with different reasons, premium was paid, policy was no longer in force, policy is in force and so on. It was very time consuming and frustrating, I decided to remove the policy after almost six months of trying to get answers.

Mr. Torres did not inform me until January, when he came to request a stop in payments, that the address was incorrect, we changed it then, but this was the only time he noted the address being incorrect, and we obviously changed it since he started getting mail from Appalachian after that. He said he got the notice of renewal from Appalachian. Mr. Torres said he did not want to be on automatic payments, yet he signed the automatic withdrawal form and had five payments withdrawn from his account. He did sign and acknowledge automatic payments from the Appalachian policy because I advised him to do so, his last policy had lapsed for non pay, he made his payments late, I told him to set up automatic to avoid this. It was not until we transferred his policy in

March of 2013, that he asked not to be put on auto pay. We did not put him on auto pay then, Mr. Torres would call the company direct and make his payments. He stated this on his recording. He knew the payments were on auto pay with Appalachian, he even said in the recording he called to stop the payments because he was not working.

I made every attempt to rectify this for months, Appalachian and IPFS where not helpful until I transferred the policy, if I was truly trying to be malicious, I would of let it be, no one would have ever discovered the error, but I could not leave it as I knew something was wrong and needed to be addressed. I have said this time and time again, I made a mistake with this policy, but so did Appalachian and IPFS, and they were not helpful in resolving the issue until after the fact. This could of been resolved in one phone call if they had taken the time to review the policy instead of transferring to different departments every time we called.

Ms. Licea moved and changed the name of the Corporation after I left, she used my email until she was able to set up her own domain to do so, I own the building and commercial property and have owned it for the last 10 years, so of course she was going to use the same address. I see no relevance to this statement made by Mr. Colman, I have been working elsewhere since the summer of 2014 and had not personally used my email since then. (I attached my business card).

Lastly, I take great offense by the statements made by Ms. Hansen, saying that I prey on venerable populations. When I came to this country, I did not speak English. I lived in migrant work camps that were disgusting and deplorable to say the least. I worked in the field and orchards to make a living in the harshest of conditions and minimal of pay, all while attending night school and summer school. I managed to work my way out of that situation and worked my way through college and earned my Masters in Business. My path in life was never an easy one. I have never been given anything, I learned to perfect myself and my language skills to get ahead in this life. I thought that working hard was the key to success in this country, that is what I was always told. But success breeds envy and jealousy, that is what I am experiencing now. People want to take away what I have worked for, they make statements that are untrue to advance their own agenda. There is a reason no one would testify for the state, it is one thing to tell an investigator something, but another thing entirely to purger yourself in court. They understand this. For Ms. Hansen to make these accusations is not only hurtful and offensive, but way out of line. I have lived this life and have always helped people and treated them with respect, we put on information fairs and donate items to the local schools and shelters in order to help this population, and I get accused of taking advantage? This is clearly a witch hunt and I am sure your Honor will see beyond these lies and deceptions to get to the truth.

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Karla

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Sent: Monday, March 23, 2015 8:46 AM
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thank you,

Karla

FILED

2015 MAR 20¹⁹ A 9:44
KAZ

BEFORE THE STATE OF WASHINGTON
OFFICE OF THE INSURANCE COMMISSIONER

In the Matter of

KARLA PADILLA REYNA

Licensee.

Docket No. 14-0196

DECLARATION OF DARREN
PARSE RE: STATEMENT OF
MARIA SERRATOS

I, DARREN PARSE, under penalty of perjury under the laws of the State of Washington, declare as follows:

1. I am over eighteen years of age, the following facts are personally known to me, and if called upon to do so, I could and would testify competently to them.
2. I am a Washington State Court Certified Interpreter. I am qualified to interpret in the Spanish language. My license number is 010055.
3. Exhibit A hereto is a handwritten document written in the Spanish language, which I received from the Washington Office of the Insurance Commissioner's staff. The document appears to be a statement by "Maria I. Serratos."
4. I have translated the Exhibit A statement into English. A true and accurate copy of my written translation is attached hereto as Exhibit B.

I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF WASHINGTON STATE THAT THE FOREGOING IS TRUE AND CORRECT.

Dated this 19th day of March, 2015, at Shelton, Washington.

Darren Parse

DARREN PARSE

yo Mario I Semanas 3/6/12
padilla y Ledite que me habían robado
mis plantas y rines de mi Garage
y me dijo que si me cubría mi
aseguradora que por no me cubría
y yo le dije que por que no
tenia mi cobertura necesaria y
Elisabet me dijo que ella iba
a ser un reclamo a la Comisaria
que por no ~~me~~ cubría mis plantas
y mis rines y Elisabet no escribio
bien esa carta ella le puso otras
cosas que yo no le dije yo le dije
que Arturo me habia dicho que a
la mejor ellas estaban en la casa
fu todo el no me aseguro ella
Elisabet le puso cosas que yo no
le dije yo estoy molesta por que
me tray pariba y para todo y no
me cubren mis plantas y rines

Si ella estau con problemas
Eso no es mi problema

~~Maria T. Santos~~

3/6/12

I, María I. Serratos went with Carla Padilla and I told her that my tires and rims had been stolen from my garage and she told me if my insurance covered me why not charge them and I told her because I didn't have the necessary coverage and Elisabet told me that she was going to make a claim to the Commissioner as to why my tires and my rims weren't covered but Elisabet didn't write that letter properly she put down other things that I did not tell her. I told her that Arturo had told me that they probably were in the cars.

That was all. He didn't lock it for me. She (Elisabet) put down things that I didn't say. I am upset because she's giving me the runaround and they didn't cover my tires and rims.

Attachment B page 2

of 2

Attachment # 9 of 10

If she's got a problem, that isn't my problem.

[signed]

María I. Serratos