

STATE OF OKLAHOMA  
DEPARTMENT OF SECURITIES  
THE FIRST NATIONAL CENTER  
120 NORTH ROBINSON, SUITE 860  
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

Colby Younger Ruth (CRD# 5093489),

Respondent.

ODS File No. 12-057

**NOTICE OF SERVICE ON THE ADMINISTRATOR**  
**AND**  
**AFFIDAVIT OF COMPLIANCE**

STATE OF OKLAHOMA    )  
  )  
COUNTY OF OKLAHOMA)       ss.

The undersigned affiant, of lawful age, being first duly sworn upon oath deposes and states:

1. That he is the Administrator of the Oklahoma Department of Securities ("Administrator").
2. That a copy of the Notice of Opportunity for Hearing ("Notice") with Enforcement Division Recommendation ("Recommendation") attached was delivered to Affiant in the office of the Administrator pursuant to Section 1-611 of the Oklahoma Uniform Securities Act ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011).
3. That the Administrator has received service of process on behalf of Respondent, pursuant to Section 1-611 of the Act.
4. That a copy of the Notice, with the Recommendation attached, and a copy of this Notice of Service on the Administrator and Affidavit of Compliance are being sent this 30<sup>th</sup> day of March, 2012, by certified mail, return receipt requested, delivery restricted to addressee, to the last known address of Respondent, in compliance with Section 1-611 of the Act.
5. That this Affidavit of Compliance is declared filed of record as of the date set forth below in compliance with Section 1-611 of the Act.

FURTHER AFFIANT SAYETH NOT.

Dated this 30<sup>th</sup> day of March, 2012.

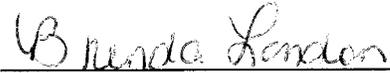
(SEAL)

  
\_\_\_\_\_  
IRVING L. FAUGHT, ADMINISTRATOR OF THE  
OKLAHOMA DEPARTMENT OF SECURITIES

Subscribed and sworn to before me this 30<sup>th</sup> day of March, 2012.

(SEAL)

  
BRENDA LONDON  
Notary Public  
State of Oklahoma  
Commission # 05009046 Expires 09/28/13

  
\_\_\_\_\_  
Notary Public

CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 30<sup>th</sup> day of March, 2012, a true and correct copy of the above and foregoing *Notice of Opportunity for Hearing* and the *Enforcement Division Recommendation* were mailed by certified mail, return receipt requested, delivery restricted, with postage prepaid thereon, addressed to:

Mr. Colby Ruth  
13127 Westpark Place  
Oklahoma City, OK 73142

  
\_\_\_\_\_  
Brenda London, Paralegal

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In the Matter of:

Colby Younger Ruth (CRD# 5093489),

Respondent.

ODS File No. 12-057

**NOTICE OF OPPORTUNITY FOR HEARING**

1. Pursuant to Section 1-602 of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), the Oklahoma Department of Securities ("Department") conducted an investigation into the activities of Colby Younger Ruth ("Respondent").

2. On the 27th day of March, 2012, the attached Enforcement Division Recommendation ("Recommendation") was left in the office of the Administrator of the Oklahoma Department of Securities ("Administrator").

3. Pursuant to 660:2-9-1 of the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities ("Rules") (effective July 1, 2007), Okla. Admin. Code §§ 660:1-1-1 through 660:25-7-1, and Section 1-411 of the Act, the Administrator hereby gives notice to Respondent of his obligation to file an answer and his right to request a hearing to show why an order based on the Recommendation should not be issued.

4. The answer must be in writing and received by the Administrator within fifteen (15) days after service of this Notice. As required by 660:2-9-2 of the Rules, the answer shall indicate whether Respondent requests a hearing and shall specifically admit or deny each allegation contained in the Recommendation or state that Respondent does not have, and is unable to obtain, sufficient information to admit or deny each allegation. If Respondent intends in good faith to deny only a part of an allegation, Respondent shall specify so much of it as is true and shall deny only the remainder.

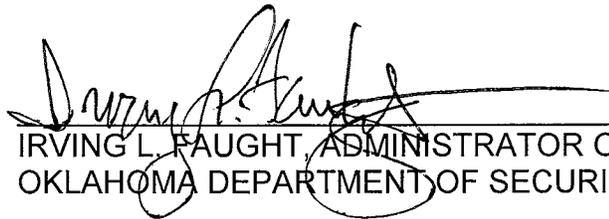
5. Failure to file an answer in compliance with 660:2-9-2 of the Rules, to include a request for a hearing as provided for herein, shall result in the issuance of an order barring Respondent from registration under the Act in any capacity and from association with a broker-dealer or investment adviser registered or required to be registered under the Act, pursuant to Section 1-411 of the Act and 660:2-9-2 of the Rules.

6. Upon receipt of a written request, pursuant to 660:2-9-2 of the Rules, a hearing on the Recommendation shall be promptly scheduled or a written order denying hearing shall be issued.

7. Notice of the date, time and location of the hearing shall be given to Respondent not less than forty-five (45) days in advance thereof, pursuant to 660:2-9-2 of the Rules.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 30<sup>th</sup> day of March, 2012.

(SEAL)

  
\_\_\_\_\_  
IRVING L. FAUGHT, ADMINISTRATOR OF THE  
OKLAHOMA DEPARTMENT OF SECURITIES

STATE OF OKLAHOMA  
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In the Matter of:

Colby Younger Ruth (CRD# 5093489),

Respondent.

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**ENFORCEMENT DIVISION RECOMMENDATION**

Pursuant to Section 1-602 of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), the Oklahoma Department of Securities ("Department") conducted an investigation into the activities of Colby Younger Ruth ("Respondent"). Based thereon, the Enforcement Division of the Department submits the following Findings of Fact, Authorities, and Conclusions of Law to the Administrator of the Department ("Administrator") in support of sanctions against Respondent.

**Findings of Fact**

1. Respondent was registered under the Act as an agent of Farmers Financial Solutions, LLC ("Farmers") from August 2006 until December 2011. At all times material hereto, Respondent was concurrently registered with the Financial Industry Regulatory Authority ("FINRA"). Respondent operated from a Farmers' branch office in Oklahoma City, Oklahoma.

2. At all times material hereto, Respondent was an insurance agent for Farmers Insurance Group of Companies ("Farmers Insurance").

3. In April 2011, Respondent deposited three checks, totaling \$1,152, from two different customers of Farmers Insurance into his personal credit union account and used such funds for personal expenses. The Farmers Insurance customers had written the checks for small business insurance.

4. After discovering Respondent's misappropriation of customer funds, Farmers Insurance terminated Respondent as an appointed insurance agent on or about December 2, 2011.

5. Upon notification by Farmers Insurance that Respondent had been terminated as an appointed insurance agent, Farmers terminated Respondent as an agent of Farmers under the Act.

To the extent any of these Findings of Fact are more properly characterized as Conclusions of Law, they should be so considered.

### **Authorities**

1. Section 1-411 of the Act provides in pertinent part:

C. If the Administrator finds that the order is in the public interest and paragraphs 1 through 6, 8, 9, 10, 12 or 13 of subsection D of this section authorizes the action, an order under this act may censure, impose a bar, impose a civil penalty in an amount not to exceed a maximum of Five Thousand Dollars (\$5,000.00) for a single violation or Two Hundred Fifty Thousand Dollars (\$250,000.00) for multiple violations on a registrant, and/or recover the costs of the investigation from a registrant and if the registrant is a broker-dealer or investment adviser, from any partner, officer, or director, any person having a similar function or any person directly or indirectly controlling the broker-dealer or investment adviser.

D. A person may be disciplined under subsections A through C of this section if the person:

\* \* \*

13. Has engaged in dishonest or unethical practices in the securities, commodities, investment, franchise, banking, finance or insurance business within the previous ten (10) years[.]

### **Conclusions of Law**

1. Respondent engaged in dishonest or unethical practices in the insurance business within the previous ten (10) years.

2. The Administrator is authorized to bar Respondent from registration under the Act in any capacity and from association with a broker-dealer or investment adviser registered or required to be registered under the Act, pursuant to Section 1-411 of the Act.

3. It is in the public interest for the Administrator to bar Respondent from registration under the Act in any capacity and from association with a broker-dealer or investment adviser registered or required to be registered under the Act.

To the extent any of these Conclusions of Law are more properly characterized as Findings of Fact, they should be so considered.

WHEREFORE, it is recommended that the Administrator issue an order barring Respondent from registration under the Act in any capacity, barring Respondent from association with a broker-dealer or investment adviser registered or required to be registered under the Act, and imposing such other sanctions deemed appropriate and authorized by law.

Dated this 27<sup>th</sup> day of March, 2012.

Respectfully submitted,



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Terra Shamas Bonnell  
Enforcement Attorney  
Oklahoma Department of Securities  
120 North Robinson, Suite 860  
Oklahoma City, OK 73102  
Telephone: (405) 280-7715  
Fax: (405) 280-7742  
Email: [tbonnell@securities.ok.gov](mailto:tbonnell@securities.ok.gov)