

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



In the Matter of:

Colby Younger Ruth (CRD #5093489),

Respondent.

ODS File No. 12-057

**STATEMENT OF FACTS AND LEGAL CONTENTIONS  
OF THE OKLAHOMA DEPARTMENT OF SECURITIES**

The Oklahoma Department of Securities ("Department") submits this statement of facts and legal contentions in the above-styled matter in compliance with 660:2-9-3 of the Rules of the Oklahoma Securities Commission and the Administrator of the Oklahoma Department of Securities and the *Scheduling Order* issued on August 6, 2012.

**Facts**

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.

6. Respondent admits in his Answer filed on June 11, 2012, that the three checks were deposited into his personal credit union account and that he was going through an "extreme personal hardship and made the error of not issuing and/or applying payment to the correct policy."

7. Respondent denies any wrongdoing.

### Legal Contentions

1. Whether Respondent is subject to discipline pursuant to Section 411(D)(13) of the Oklahoma Uniform Securities Act of 2004 ("Act"), Okla. Stat. tit. 71, §§ 1-101 through 1-701 (2011), for engaging in dishonest or unethical practices in the insurance business within the previous ten (10) years.

2. Whether Respondent should be barred 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(D)(13) of the Act.

Dated this 20th day of August, 2012.



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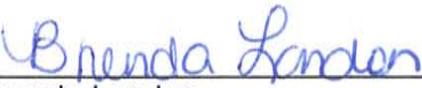
Amanda Cornmesser, OBA # 20044  
Oklahoma Department of Securities  
120 North Robinson, Suite 860  
Oklahoma City, Oklahoma 73102  
Telephone: (405) 280-7700  
Facsimile: (405) 280-7742

**CERTIFICATE OF SERVICE**

The undersigned certifies that on the 20th day of August, 2012, a true and correct copy of the *Statement of Facts and Legal Contentions* was mailed, by first class mail, postage prepaid, to:

Colby Ruth  
12002 Oak Drive  
Henryetta, OK 74437

Colby Ruth  
16709 La Paloma Lane  
Edmond, OK 73013

  
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Brenda London