

BEFORE THE INSURANCE COMMISSIONER OF THE  
STATE OF OKLAHOMA

**FILED**  
DEC 07 2011  
INSURANCE COMMISSIONER  
OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN D. )  
DOAK, Insurance Commissioner, )  
 )  
Petitioner, )  
 )  
v. )  
 )  
ROBERT DOUGLAS FACTORY )  
 )  
Respondent. )

Case No. 11-0960-DEN

**ORDER DENYING LICENSURE**

This matter is a denial proceeding under the Oklahoma Producer Licensing Act. 36 O.S. §§ 1435.1 et seq. The Oklahoma Insurance Department notified Respondent on September 30, 2011 that his application for an individual insurance producer license was denied for providing incorrect, misleading, incomplete or materially untrue information in the license application. Respondent requested a formal administrative hearing before an independent hearing examiner concerning the matter on October 13, 2011.

A hearing was held before the undersigned Hearing Examiner on November 8, 2011. Petitioner appeared by counsel Julie Meaders. Respondent appeared by counsel Joel A. Porter. Witnesses were sworn and testified, exhibits were presented and argument of counsel heard.

**FINDINGS OF FACT**

1. Respondent submitted an on-line Uniform Application to the Oklahoma Insurance Department on September 19, 2011 for a resident producer license. The criminal background question on the application asks:

“Have you ever been convicted of a crime, had a judgment withheld or deferred, or are you currently charged with committing a crime?” The question is further clarified by the statement: “Crime includes a misdemeanor, felony or military offense. You may exclude misdemeanor traffic citations or convictions involving driving under the influence (DUI) or driving while intoxicated (DWI), driving without a license, reckless driving, or driving with a suspended or revoked license and juvenile offenses.”

2. If the question is answered “yes”, the applicant must attach a written statement explaining the circumstances of each incident; a copy of the charging document; and a copy of the official document demonstrating the resolution of the charges or any final judgment. Respondent answered the question “no”.

3. The application has an attestation section for the applicant to certify, under penalty of perjury, that all of the information submitted in the application is true and complete; that submitting false information or omitting pertinent or material information in connection with the application is grounds for license revocation or denial of the license. Respondent answered “Agree” in the attestation section of the on-line application.

4. A background review of the Oklahoma Supreme Court System (OSCN) by the Licensing Division discovered that Respondent had one felony deferred judgment for assault and battery with a deadly weapon in Oklahoma County Case CF-1994-4804 and three misdemeanor convictions for domestic abuse, assault and battery and malicious injury and destruction of property in Oklahoma County Case CM-1998-3120.

5. By letter dated September 30, 2011, Leah Scoles, Licensing Manager sent Respondent a letter denying his application for failing to disclose his criminal history. Respondent thereafter requested an administrative hearing regarding the denial of his

license.

6. The Insurance Commissioner appointed John David Miller to hear the case as the independent Hearing Examiner.

7. The hearing was recorded electronically by an employee of the Oklahoma Insurance Department. Neither party requested a full stenographic record of the proceedings.

8. The following exhibits were introduced and admitted:

Petitioner's Exhibit 1: Respondent's application for producer license;

Petitioner's Exhibit 1a: Uniform Application for Individual Resident License;

Petitioner's Exhibit 1b: OSCN court docket listing *State of Oklahoma v. Factory, Robert Douglas* cases;

Petitioner's Exhibit 2 OSCN document for Oklahoma County Case CF-1994-4804;

Petitioner's Exhibit 3 OSCN document for Oklahoma County Case CM-1998-3120;

Petitioner's Exhibit 4 Information in CF-1994-4804;

Petitioner's Exhibit 5: Judgment & Sentence in CF-1994-3120

Petitioner's Exhibit 7: Information in CM-1995-1460;

Petitioner's Exhibit 8: Judgment and Sentence in CM-1995-1460;

Petitioner's Exhibit 9 Information in CM-1998-3120;

Petitioner's Exhibit 10: Judgment and Sentence in CM-1998-3120.

9. Respondent and Brandon Cain were sworn and testified under oath.

10. The Hearing Examiner heard testimony and entered the following findings

of fact:

a. Evidence was admitted and testimony was presented to the Hearing Examiner that applicants are required to disclose if they have been convicted of a crime, had a judgment withheld or deferred, or are currently charged with committing a crime.

b. Evidence was admitted and testimony was presented to the Hearing Examiner that Respondent omitted material information regarding criminal background information in Oklahoma County Case CF-1994-4804 and Oklahoma County Case CM-1998-3120 on his application.

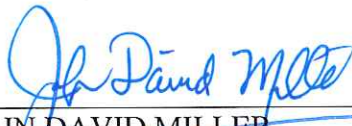
**CONCLUSIONS OF LAW**

Respondent violated 36 O.S. § 1435.13(A)(1) by providing incorrect, misleading incomplete or materially untrue information in the license application.

**ORDER**

**BASED UPON THE FOREGOING, IT IS HEREBY ORDERED THAT THE DENIAL OF THE APPLICATION OF RESPONDENT BY THE OKLAHOMA INSURANCE DEPARTMENT IS AFFIRMED. PURSUANT TO 36 O. S. § 319, RESPONDENT IS ORDERED TO PAY THE FEES AND COSTS OF THE HEARING EXAMINER IN THE AMOUNT OF \$218.75.**

Done this 17<sup>th</sup> day of November 2011

  
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JOHN DAVID MILLER  
Hearing Examiner  
Oklahoma Insurance Department  
3625 NW 56<sup>th</sup> Street, Suite 100  
Oklahoma City, OK 73112

**CERTIFICATE OF SERVICE**

I certify that on the 7<sup>th</sup> day of December 2011, a copy of this Final Order was mailed to:

Joel A. Porter  
527 NW 23<sup>rd</sup> Street  
Oklahoma City, OK 73103  
Attorney for Respondent

**A copy was delivered to:**

Licensing Division

  
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Julie Meaders