

**BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA**

FILED

SEP 20 2017

INSURANCE COMMISSIONER
OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN D.)
DOAK, Insurance Commissioner,)
)
Petitioner,)
)
v.)
)
DARRELL LYNN SCOTT,)
an applicant for a resident insurance)
producer license,)
)
Respondent.)

Case No. 17-0654-DEN

**CONDITIONAL ADMINISTRATIVE ORDER
AND NOTICE OF RIGHT TO BE HEARD**

COMES NOW the State of Oklahoma, ex rel. John D. Doak, Insurance Commissioner, by and through his attorney, Barron B. Brown, and alleges and states as follows:

JURISDICTION

1. John D. Doak is the Insurance Commissioner of the State of Oklahoma and is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101 et seq., including the Oklahoma Producer Licensing Act (the "Act"), 36 O.S. §§ 1435.1 through 1435.41.

2. Darrell Lynn Scott ("Respondent") is an applicant for a resident insurance producer license in the State of Oklahoma. Respondent's mailing address of record is 804 12th Ave. NW, Ardmore, Oklahoma 73401-5708.

3. The Insurance Commissioner may place on probation, censure, suspend, revoke or refuse to issue or renew a license issued pursuant to the Act and/or may levy a

fine up to \$1,000.00 for each occurrence of a violation of the Oklahoma Insurance Code. 36 O.S. § 1435.13(A) and (D).

ALLEGATIONS OF FACT

1. On or about September 13, 2017, Respondent applied for a resident insurance producer license with the Oklahoma Insurance Department (“OID”). On the application form, the second question asks the following: “Have you ever been named or involved as a party in an administrative proceeding including FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration?” Respondent answered “no” to this question.

2. The application form defines being “involved” in an administrative proceeding as the following: “having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, a cease and desist order, a prohibition order, a compliance order, placed on probation, sanctioned or surrendering a license to resolve an administrative action. ‘Involved’ also means being named as a party to an administrative or arbitration proceeding, which is related to a professional or occupational license or registration.” ‘Involved’ also means having a license, or registration application denied or the act of withdrawing an application to avoid a denial.” Applicants may only exclude “terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee.”

3. A background check conducted by the OID Licensing Division showed that Respondent had the following administrative actions on his record: a \$250.00 fine assessed by the OID on or about December 23, 2011 (OID Case No. 11-1192-DIS; State Regulatory Information Retrieval System ("RIRS") Identifier: 11-1192-DIS); a \$300.00

fine assessed by the OID on or about May 30, 2014 (OID Case No. 14-0534-DEN; RIRS Identifier: 13382999).

ALLEGED VIOLATIONS OF LAW

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

ORDER

IT IS THEREFORE ORDERED by the Insurance Commissioner that Respondent is **CENSURED** and **FINED FIVE HUNDRED DOLLARS (\$500.00)**. **The \$500.00 fine is to be paid within thirty (30) days** made payable to the Oklahoma Insurance Department. The \$500.00 civil fine shall be paid by money order or cashier's check. Respondent's application for a resident insurance producer license may be granted upon receipt of payment of the fine and reporting of the administrative action. Failure to pay the civil fine or request a hearing within thirty (30) days will result in your license application being withdrawn.

IT IS FURTHER ORDERED, ADJUDGED AND DECREED by the Insurance Commissioner that this Order is a Conditional Order. Unless the Respondent requests a hearing with respect to the Allegations of Fact set forth above within thirty (30) days of the date of mailing of this Order, this Order and the penalties set forth above shall become a Final Order on the thirty-first day following the date of mailing this Order. A request for hearing should be in writing addressed to Barron B. Brown, Oklahoma Insurance Department, Legal Division, 3625 NW 56th St., Suite 100, Oklahoma City, Oklahoma 73112. The request for hearing must state the grounds for the request to set aside or modify the Order.

Any such hearing shall be conducted according to the procedures for contested cases under the Oklahoma Insurance Code (36 O.S. §§ 101 et seq.) and the Oklahoma Administrative Procedures Act (75 O.S. §§ 308a et seq.). If the Respondent serves a timely request for hearing on the Oklahoma Insurance Department, this Conditional Order shall act as notice of the matters to be reviewed at the hearing, and the Allegations of Fact, Alleged Violations of Law, and penalties imposed in this Conditional Order shall be considered withdrawn, pending final resolution at the hearing.

WITNESS My Hand and Official Seal this 20th day of September, 2017.



JOHN D. DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

Barron B. Brown
Assistant General Counsel
Oklahoma Insurance Department
3625 NW 56th St., Suite 100
Oklahoma City, OK 73112
(405) 521-2746

CERTIFICATE OF MAILING


I, Barron B. Brown, hereby certify that a true and correct copy of the above and foregoing *Conditional Administrative Order and Notice of Right to be Heard* was mailed by certified mail, with postage prepaid and return receipt requested, on this 20th day of September, 2017, to:

Darrell Lynn Scott
804 12th Ave. NW
Ardmore, OK 73401-5708

CERTIFIED MAIL NO. 9214 8902 0982 7500 0018 69

and a copy was delivered to:

Licensing Division



Barron B. Brown
Assistant General Counsel

Date: September 25, 2017

Regina Gilbert:

The following is in response to your September 25, 2017 request for delivery information on your Certified Mail™/RRE item number 9214890209827500001869. The delivery record shows that this item was delivered on September 22, 2017 at 2:15 pm in ARDMORE, OK 73401. The scanned image of the recipient information is provided below.

Signature of Recipient :



Address of Recipient :



Thank you for selecting the Postal Service for your mailing needs.

If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,
United States Postal Service