

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

**FILED!**  
SEP 13 2019  
INSURANCE COMMISSIONER  
OKLAHOMA

STATE OF OKLAHOMA, ex rel. GLEN )  
MULREADY, Insurance Commissioner, )  
 )  
Petitioner, )  
vs. )  
 )  
**DEREK LOUIS BROWN**, a licensed bail )  
bondsman in the State of Oklahoma, )  
 )  
AND )  
 )  
**RAYMOND LEE MERRILL**, a licensed )  
multicounty agent bondsman in the state of )  
Oklahoma, )  
 )  
Respondents. )

CASE NO. 19-0566-DIS

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

COMES NOW the State of Oklahoma, ex rel. Glen Mulready, Insurance Commissioner,  
by and through counsel, Teresa L. Green, and alleges and states as follows:

**JURISDICTION**

1. Glen Mulready is the Insurance Commissioner of the State of Oklahoma and, as such, is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101-7401, and the Oklahoma Bail Bond Act, 59 O. S. §§ 1301-40.
2. Respondent Derek Louis Brown ("Respondent Brown") is a licensed bail bondsman in the State of Oklahoma holding license number 100261306. Respondent Brown's mailing address of record is P.O. Box 21, Poteau, OK 74953-0021.
3. Respondent Raymond Lee Merrill ("Respondent Merrill") is a licensed multicounty agent bondsman in the state of Oklahoma holding license number 199369.

Respondent Merrill's mailing address of record is 104 N. Oak St., Sallisaw, OK 74955-4638.

4. The Insurance Commissioner has jurisdiction over the subject matter raised in this dispute and may issue penalties pursuant to *59 O.S. §§ 1310 and 1332*.

5. Pursuant to *59 O.S. § 1310(B)*, in addition to any potential denial, censure, suspension, or revocation, any person violating any provision of the Oklahoma Bail Bond Act may be subject to a civil penalty of not less than \$250.00 nor more than \$2,500.00 for each occurrence.

6. If either Respondent requests a hearing in writing in this matter, pursuant to *OAC 365:1-7-1*, the Insurance Commissioner, pursuant to *59 O.S. § 1311.1*, will appoint an independent hearing examiner who shall sit as a quasi-judicial officer and preside over the hearing requested by Respondent.

7. The Insurance Commissioner, pursuant to *OAC 365:1-7-5*, upon written request reasonably made by a person affected by the hearing and at such person's expense, shall cause a full stenographic record of the proceedings to be made by a competent court reporter.

#### **FINDINGS OF FACT**

8. On or about March 24, 2017, an appearance bond was executed as follows:

Defendant:	James McCarley
Case Number(s):	CF-2017-142
City/County:	LeFlore County
Surety:	Derek Brown
Bondsman:	Raymond Merrill
Power Number(s):	MB5 17531
Bond Amount(s):	\$3,500.00

9. On or about May 2, 2019, the Defendant failed to appear and the bond was declared forfeited. An Order and Judgment of Forfeiture was issued on or about May 3, 2019, by

the LeFlore County District Court. A true and correct copy of the Order and Judgment of Forfeiture was mailed to Respondent Brown and Respondent Merrill with return receipt requested within thirty (30) days after the Order's filing.

10. Respondent Brown received a copy of the Order and Judgment of Forfeiture on or about May 10, 2019.

11. Respondent Merrill received a copy of the Order and Judgment of Forfeiture on or about May 10, 2019.

12. The ninety-first (91<sup>st</sup>) day after receipt of the Order and Judgment of Forfeiture was August 9, 2019.

13. The forfeiture was paid on August 15, 2019.

14. Defendant was returned to custody on or about August 20, 2019.

15. The Defendant was not timely returned to custody; and the bond forfeiture was untimely paid.

#### **CONCLUSIONS OF LAW**

16. Respondents have violated 59 O.S. § 1310(A)(2) and (28), by failing to return the Defendant to custody within ninety (90) days or remit payment in the face amount of the bond forfeiture within ninety-one (91) days from receipt of the Order and Judgment of Forfeiture in accordance with the provisions of 59 O.S. § 1332 and OAC 365:25-5-40 and 365:25-5-41.

17. Pursuant to 59 O.S. § 1310(B), any bondsman violating a provision of the Bail Bond Act, 59 O.S. §§ 1301 *et seq.*, may be subject to a fine of not less than \$250.00 but not more than \$2,500.00 per violation.

## ORDER

**IT IS THEREFORE ORDERED** that Respondent Derek Louis Brown and Respondent Raymond Lee Merrill are collectively **FINED \$250.00**. The fines are to be paid within thirty (30) days of the date of this Conditional Administrative Order and made payable to the Oklahoma Insurance Department. Payment may be made by either cashier's check or money order. Failure to comply with a proper order of the Insurance Commissioner may result in further administrative action.

**IT IS FURTHER ORDERED, ADJUDGED AND DECREED** by the Insurance Commissioner that this Order is a Conditional Order. Unless either Respondent Brown or Respondent Merrill request a hearing with respect to the Findings of Fact set forth above within thirty (30) days of the date of this Conditional Order, the penalties set forth above shall become a Final Order on the thirty-first (31<sup>st</sup>) day following the date of receipt of this Order. A request for hearing should be in writing and addressed to Teresa L. Green, Oklahoma Insurance Department, Legal Division, 3625 NW 56<sup>th</sup> 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.

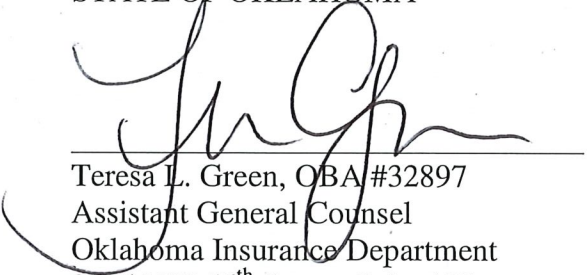
Any such hearing will be conducted according to the procedures for contested cases under the Insurance Code (36 O.S. §§ 101 *et seq.*), the Oklahoma Bail Bond Act (59 O.S. §§1301 *et seq.*), and the Oklahoma Administrative Procedures Act (75 O.S. § 250 *et seq.*). If the Respondent serves a timely request for hearing on the Oklahoma Insurance Department, this Conditional Order will act as notice of the matters to be reviewed at the hearing, and the Findings of Fact, Conclusions of Law, and penalties imposed in this Conditional Order will be considered withdrawn, pending final resolution at the hearing.



WITNESS My Hand and Official Seal this 13<sup>th</sup> day of September, 2019.



GLEN MULREADY  
INSURANCE COMMISSIONER  
STATE OF OKLAHOMA

  
\_\_\_\_\_  
Teresa L. Green, OBA #32897  
Assistant General Counsel  
Oklahoma Insurance Department  
3625 NW 56<sup>th</sup> Street, Suite 100  
Oklahoma City, Oklahoma, 73112  
Tel. (405) 521-2746  
Fax (405) 522-0125

**CERTIFICATE OF MAILING**

I 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 13<sup>th</sup> day of September, 2019, to:

Derek Louis Brown  
P.O. Box 21  
Poteau, OK 74953-0021

**CERTIFIED MAIL NO.**

9214 8902 0982 7500 0237 48

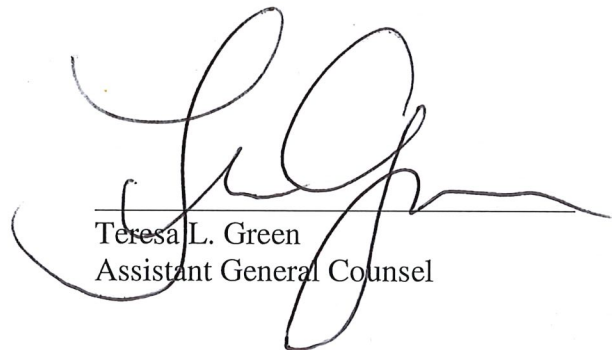
Raymond Lee Merrill  
104 N. Oak St.  
Sallisaw, OK 74955-4638

**CERTIFIED MAIL NO.**

9214 8902 0982 7500 0237 55

and a copy was delivered to:

Bail Bonds Division

  
\_\_\_\_\_  
Teresa L. Green  
Assistant General Counsel



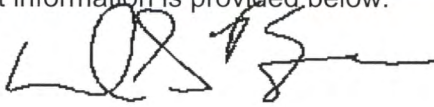
19-0566-DiS  
(Brown) TLG

Date Produced: 09/23/2019

OKLAHOMA INSURANCE DEPARTMENT:

The following is the delivery information for Certified Mail™/RRE item number 9214 8902 0982 7500 0237 48. Our records indicate that this item was delivered on 09/19/2019 at 02:39 p.m. in POTEAU, OK 74953. The scanned image of the recipient information is provided below.

Signature of Recipient :

  
Derek Brown

Address of Recipient :

PO BOX 21

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,  
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

DEREK LOUIS BROWN  
PO BOX 21  
POTEAU OK 74953-0021

Customer Reference Number: C1617898.8922590



19-0566-DIS  
(Merrill) TLG

Date Produced: 09/23/2019

OKLAHOMA INSURANCE DEPARTMENT:

The following is the delivery information for Certified Mail™/RRE item number 9214 8902 0982 7500 0237 55. Our records indicate that this item was delivered on 09/16/2019 at 12:04 p.m. in SALLISAW, OK 74955. The scanned image of the recipient information is provided below.

Signature of Recipient :

Katey Hoge  
KATEY HOGE

Address of Recipient :

104 N Oak

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local post office or Postal Service representative.

Sincerely,  
United States Postal Service

The customer reference number shown below is not validated or endorsed by the United States Postal Service. It is solely for customer use.

This USPS proof of delivery is linked to the customers mail piece information on file as shown below:

RAYMOND LEE MERRILL  
104 N OAK ST  
SALLISAW OK 74955-4638

Customer Reference Number: C1617898.8922589