

FILED

JUN 07 2021

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

**INSURANCE COMMISSIONER
OKLAHOMA**

STATE OF OKLAHOMA, ex rel. GLEN)
MULREADY, Insurance Commissioner,)
)
Petitioner,)
v.)
)
KRISTINA MELISA SHULTS, applicant for)
insurance producer license in the State of)
Oklahoma)
)
Respondent.)

Case No. 21-0182-DEN

FINAL ADMINISTRATIVE ORDER

This matter is a denial proceeding under the Oklahoma Producer Licensing Act, 36 O.S. §§ 1435.1 *et seq.* The Oklahoma Insurance Department (“OID”) notified Respondent that her application for her individual insurance producer license was denied for having been convicted of a felony pursuant to 36 O.S. § 1435.13(A)(6) on or about March 15, 2021. Respondent requested a formal administrative hearing before an independent hearing examiner concerning the matter on or about April 12, 2021.

On or about May 13, 2021, a show cause hearing was held on the OID’s Notice of Hearing and Order to Show Cause (“Notice”), filed on April 27, 2021. The hearing was held at the offices of the OID before Independent Hearing Examiner Charles Alden, III (“Hearing Examiner”). Present at the hearing were Kayla M. Rochelle, Assistant General Counsel for the OID, Courtney Khodabakhsh for the OID’s Licensing Division, Respondent, Dustin J. Hopson, Counsel for Respondent, Melanie Merriman, Gary Singleton, and Adam Miller. Samantha James and Bob Tolomeo attended the hearing telephonically.

Upon consideration of the evidence, the Hearing Examiner makes the following

findings of fact and conclusions of law.

FINDINGS OF FACT

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 *et seq*, including the Oklahoma Producer Licensing Act, 36 O.S. § 1435.1 *et seq*.

2. Respondent Kristina Melisa Shults ("Respondent") is an applicant for a resident insurance producer license in the State of Oklahoma. Her address of record is 31 S. Olympia Ave., Tulsa, Oklahoma 74127.

3. The Insurance Commissioner may place on probation, censure, suspend, revoke or refuse to issue or renew a license issued pursuant to the Oklahoma Producer Licensing Act 36 O.S. §§ 1435.13(A) and (D).

4. Petitioner afforded Respondent an opportunity for hearing after reasonable notice, pursuant to 75 O.S. § 309(A), by sending the *Notice of Hearing and Order to Show Cause* by certified mail, postage prepaid with return receipt requested, to Respondent's Counsel of record on or about April 27, 2021, which was received on or about April 29, 2021. The *Notice of Hearing and Order to Show Cause*, filed on April 27, 2021, stated the matters asserted, and stated the time, place and nature of the hearing, cited legal authority and jurisdiction, and referred to particular sections of the statutes involved.

5. The Insurance Commissioner, pursuant to 36 O.S. § 319, appointed an independent hearing examiner who sits as a quasi-judicial officer. The Insurance Commissioner appointed Charles Alden, III to hear the case as the independent hearing examiner.

6. The hearing was recorded electronically by an employee of the OID.
Neither party requested a full stenographic record of the proceedings.

7. The following exhibits were introduced and admitted:

- a) Exhibit 1: Respondent's resident insurance producer license application;
- b) Exhibit 2: Felony Information for *State v. Kristina Melisa Shults* in the District Court of Stephens County, CF-2017-152
- c) Exhibit 3: Plea of Guilty/Summary of Facts for *State v. Kristina Melisa Shults* in the District Court of Stephens County, CF-2017-152
- d) Exhibit 4: Judgment and Sentence for *State v. Kristina Melisa Shults* in the District Court of Stephens County, CF-2017-152
- e) Exhibit 5: Denial letter of Respondent's Resident Producer Application

8. The following witnesses were sworn and testified under oath:

- a) Kristina Melisa Shults, Respondent
- b) Adam Miller, CEO of Aegis Insurance & Financial Services
- c) Melanie Merriman, Respondent's sister
- d) Gary Singleton, Respondent's father
- e) Samantha James, Correctional Case Manager with the Department of Corrections
- f) Bob Tolomeo, President of Million Dollar Sounds
- g) Courtney Khodabakhsh, Licensing Manager with the OID

9. Respondent applied electronically for a resident insurance producer license on or about February 19, 2021 with the OID. On the application form, question 1b asked Respondent, "Have you ever been convicted of a felony, had a judgement withheld or deferred, or are you currently charged with committing a felony?" Respondent answered

“yes” to this question. (See Testimony of Respondent, Testimony of Courtney Khodabakhsh, and Exhibit 1.)

10. Respondent submitted the court documents regarding this criminal charge with her application. (See Testimony of Respondent and Courtney Khodabakhsh.)

11. On or about May 23, 2017, Respondent was criminally charged with two counts of distribution of a controlled dangerous substance, a felony, in *State v. Kristina Melisa Shults* in the District Court of Stephens County, Case No. CF-2017-152. (See Testimony of Respondent, Testimony of Courtney Khodabakhsh, and Exhibit 2.)

12. On or about March 1, 2017, Respondent pled guilty to and was convicted of the felony charges. Respondent was sentenced to a term of 15 years with all but the first five (5) years suspended. (See Testimony of Respondent, Testimony of Courtney Khodabakhsh, Exhibit 3, and Exhibit 4.)

13. Respondent served approximately three (3) years in the custody of the Department of Corrections. Respondent was released from the Department of Corrections custody in January 2019. (See Testimony of Respondent.)

14. Respondent is on probation until March 7, 2029. (See Testimony of Samantha James.)

15. Respondent has complied with the reporting requirements as a part of her probation. (See Testimony of Samantha James.)

16. The Department of Corrections maintains Respondent’s current address and telephone number. (See Testimony of Samantha James.)

17. Respondent has exhibited professionalism and other character traits that support her rehabilitation. (See Testimony of Adam Miller, Testimony of Melanie

Merriman, Testimony of Gary Singleton, and Testimony of Bob Tolomeo.)

CONCLUSIONS OF LAW


18. Respondent was provided notice and a hearing pertaining to the *Notice of Hearing and Order to Show Cause* filed on or about April 27, 2021, in accordance with the Oklahoma Insurance Code, 36 O.S. §§ 101 et seq. and the Oklahoma Administrative Procedures Act, 75 O.S. §§ 250 et seq.

19. Respondent's application for resident insurance producer license may be denied under 36 O.S. § 1435.13(A)(6) based on Respondent's felony conviction in CF-2017-152 in the District Court of Stephens County.

ORDER

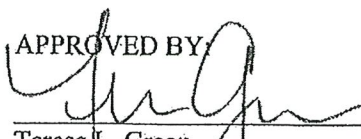
IT IS THEREFORE ORDERED that the denial of Respondent Kristina Melisa Shults's application for a resident insurance producer license is **SET ASIDE** and **LICENSE IS GRANTED**.

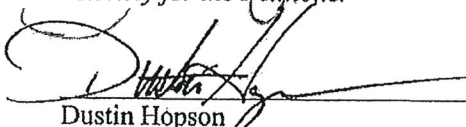
WITNESS My Hand and Official Seal this 7 day of June 2021.


CHARLES ALDEN, III
INDEPENDENT HEARING EXAMINER
OKLAHOMA INSURANCE DEPARTMENT



APPROVED BY:


Teresa L. Green
Attorney for the Petitioner


Dustin Hopson
Attorney for the Respondent

CERTIFICATE OF MAILING

I hereby certify that a true and correct copy of the above and foregoing *Final Administrative Order* was mailed by, certified mail, with postage prepaid and return receipt requested, on this 9th day of June 2021 to:

Kristina Melisa Shults
31 S. Olympia Ave.
Tulsa, OK 74127

Respondent

CERTIFIED MAILING NO. 7020 2450 0000 1483 2701

Dustin J. Hopson
119 N. Robinson Ave.
Suite 650
Oklahoma City, OK 73102

Attorney for Respondent

CERTIFIED MAILING NO. 7020 2450 0000 1483 2695

and that a copy was delivered to:

Licensing Division


Teresa L. Green

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Postage	\$ _____
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Street and Apt. No., or PO Box	31 S. Olympia Ave.
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Dustin Hopson

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Attorney for Respondent

119 N. Robinson Ave., Suite 650

OKC, OK 73102

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PS Form 3800, April 2015 PSN 7530-02-000-9047

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Dustin Hopson
 Attorney for Respondent
 119 N. Robinson Ave., Suite 650
 OKC, OK 73102
SMS/21-0182-DEN (TLG)/Admin Ord



9590 9402 6215 0265 2871 16

2. Article Number (Transfer from service label)

7020 2450 0000 1483 2695

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☐ Addressee

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6-10

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☐ Yes

If YES, enter delivery address below:

☐ No

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JUN 14 2021
Legal Division

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