

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

FILED

FEB 07 2019

**STATE OF OKLAHOMA, ex rel. JOHN D.
DOAK, Insurance Commissioner,**

**INSURANCE COMMISSIONER
OKLAHOMA**

Petitioner,

v.

CASE NO. 18-0810-DIS

**ROBERT CHRISMAN, an applicant for
reinstatement of a resident producer license
in the State of Oklahoma,
State of Oklahoma,**

Respondent.

ADMINISTRATIVE ORDER

This matter is a proceeding under the Oklahoma Insurance Code ("Code"), 36 O.S. § 101, et. seq., and is conducted pursuant the Oklahoma Administrative Procedures Act, 75 O.S. § 301, et. seq., whereby Respondent, Robert Chrisman, an applicant for the reinstatement of his resident insurance producer license in the State of Oklahoma which was denied by the Petitioner.

Respondent's mailing address of record with the Oklahoma Insurance Department is [REDACTED]

[REDACTED]. The Oklahoma Department of Insurance (hereinafter OID) filed and issued on December 13, 2018, a Notice of Hearing and Order for Show Cause to determine if there are any reason why Respondent's license in the State of Oklahoma should not be denied and why a fine and/or other appropriate penalties under 36 O.S. § 1435.13 should not be imposed. Proper notice was given to the Respondent of the hearing by certified mail and the Order setting a hearing date of January 9, 2019 at 9:30 a.m. at the offices of OID was received by Respondent as a part of that notice.

On January 9, 2019, the above captioned case came on for hearing at the office of the Department of Insurance, 3625 N.W. 56th Street, Oklahoma City, Oklahoma 73112, and

testimony and evidence was received at that time. Oklahoma Insurance Commissioner John D. Doak had appointed the independent Hearing Examiner, John D. Miller, to preside at the hearing as a quasi-judicial officer pursuant 36 O.S. § 319. The hearing was recorded electronically by employees of the Department. Petitioner was represented by Senior Counsel, Sandra LaVenue. Respondent, Robert Chrisman appeared in person and was represented by his attorney, Drew Webb. Testimony and evidence was heard in regards to the allegations set forth in the Notice of Hearing and Show Cause. Due to the amount of evidence submitted and the fact that there was received into evidence a recording of approximately hour and a half in length which consisted of an interview conducted by Robert Lee, investigator with OID with Respondent, Robert Chrisman on August 17, 2018, and only parts of that interview were played at the hearing, the Hearing Examiner agreed to listen to the interview in its entirety before issuing a ruling. The Hearing Examiner thus took the matters under advisement to review the evidence prior to issuance of his findings.

Therefore after consideration of the testimony and evidence presented including listening to the interview of August 17, 2018 in its entirety, this independent Hearing Examiner issues his order of findings and conclusions of law as to this particular case.

FINDINGS OF FACT

1. John D. Doak 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 (hereinafter "Code"), 36 O.S. §§ 101-7301.
2. Respondent, Robert Chrisman, is an applicant for renewal and reinstatement of his resident insurance producer license in the State of Oklahoma.

3. Respondent's Oklahoma resident insurance producer license expired on June 30, 2018.
4. Respondent submitted an application to the Oklahoma Insurance Department (OID) to reinstate his Oklahoma insurance producer license on July 11, 2018.
5. As a part of the reinstatement application, on question 6 of the online application, which asks the following, "Have you or any business in which you are or were an owner, partner, officer, director, or member or manager of a limited liability company, ever had an insurance agency contract or any other business relationship with an insurance company terminated for any alleged misconduct? Respondent answered "No" to this question and provided no documents.
6. OID in reviewing Respondent's reinstatement application, discovered that New York Life Insurance Company had notified the OID by letter dated July 5, 2017 and admitted into evidence as Petitioner's Ex. 1 that Respondent had been terminated after a company review effective June 5, 2017.
7. On July 12, 2018, an email was sent from OID Licensing Division notifying Respondent that his application failed to report that he had been terminated for cause and asked for a detailed letter of explanation as to why this termination was not disclosed.
8. Respondent submitted an email response on July 23, 2018 explaining that he was terminated but considered it a wrongful termination.
9. On August 17, 2018, a recorded interview was held between Robert Lee, OID investigator and Respondent which interview was admitted in its entirety as evidence in this case. During the interview, Respondent admitted numerous times during the interview that he knew he had been terminated and had been advised the cause although he disagreed. He referred to his meeting with the local compliance officer and Ron Bowers, NY Life compliance officer out to Dallas in which he was handed an envelope and was told by Mr. Bowers, "You're

terminated. He acknowledged receipt of the NY Life letter of termination dated May 5, 2017 which was admitted into evidence as Petitioner's Ex. 9."

10. Respondent through his interview with the OID investigator and his written responses to OID attempted to justify his answer of "No" to both question 2 and question 6 of the reapplication by asserting due to his continued receipt of various benefits from NY Life after his 44 years of service and after receipt of the termination, that he believed an inquiry by OID would disclose that he would be classified as a retired, non-active NY Life agent.

11. Respondent acknowledged in addition to receipt of the letter of termination, that he had previously received a fine, probation with enhanced supervision from NY Life for alleged acts committed by him and these administrative actions being taken against him by NY Life which were never disclosed. Respondent did contest the basis for the actions taken by NY Life.

12. Pursuant the provisions of 36 O.S. § 1435.13:

A. 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 or may levy a civil penalty in accordance with subsection D of this section or any combination of actions, for any one or more of the following causes:

1. Providing incorrect, misleading, incomplete or materially untrue information in the licensing application;

3. Obtaining or attempting to obtain a license through misrepresentation or fraud;

8. Using fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial responsibility in the conduct of business in this state or elsewhere;

D. In addition to or in lieu of any applicable denial, probation, censure, suspension or revocation of a license, a person may, after opportunity for hearing, be subject to a civil fine of not less than One Hundred Dollars (\$100.00) nor more than One Thousand Dollars (\$1,000.00) for each occurrence. Said penalty may be enforced in the same manner in which judgments may be enforced.

CONCLUSIONS OF LAW

1. Respondent violated 36 O.S. § 1435.13 (A) (1) and (3) by failing to report the termination of his contract with NY Life Insurance Company and confirmation of his inability to write any new business on NY Life products for alleged misconduct. By his answering "No" to question 6 of the renewal application which asked specifically "if he ever had an insurance agency contract or other business relationship with an insurance company terminated for any alleged misconduct". The evidence is overwhelming that event had occurred and Respondent failed to so disclose and attempted to rationalize due to his receipt of continued numerous benefits from NY Life Insurance Company after his termination that he would be shown to be retired, non-active NY Life agent. The evidence is clear that the termination was for cause. There is no dispute as to his termination even by his own admissions and his failure to answer question 6 of the application in the affirmative was an intentional and deliberate attempt to provide incorrect, misleading, incomplete and materially untrue information in the reapplication process. Additionally this Hearing Examiner finds that Respondent attempted to obtain his insurance producer license through misleading information presented to the Petitioner. Respondent could have easily answered Yes to question 6 of the reapplication form and provided documentation of his contesting of the allegations against him by NY Life Insurance Company and let the licensing division of OIDS to consider his position in the licensing process.

2. Evidence was submitted in regards to the Respondent also not answering truthfully Question 2 of the application for license. While there is evidence to support such claim, since it was not alleged in the Notice of Hearing and Show Cause, the failure to answer Question 2 of the application is not being considered by this Hearing Examiner in its ruling in this case.

ORDER

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that it has been established by clear and convincing evidence that Respondent, Robert Chrisman, has violated 36 O.S. § § 1435.13 (A) 1 and 3 of the Oklahoma Insurance Code and as a result the Department's denial of reissuance of resident producer license is justified. A civil penalty of a FINE in the amount of One Thousand Dollars (\$1,000.00) is imposed. The fine is to be paid within thirty (30) days of receipt of this order.

IT IS FURTHER ORDERED that Robert Chrisman is assessed the costs of this matter in the amount of One Thousand Three Hundred Twelve Dollars and fifty cents (\$1,312.50) to be paid to the Oklahoma Insurance Department with thirty (30) days of the receipt of this order.

IT IS FURTHER THE OPINION OF THIS Hearing Examiner that the Respondent should be reconsidered for the reissuance of a resident producer license in the State of Oklahoma, one (1) year after the date of his last application for licensure which was July 11, 2018 or as of July 11, 2019.

WITNESS My Hand this 6th day of February, 2019.





JOHN D. MILLER, OBA # 6213
INDEPENDENT HEARING EXAMINER
OKLAHOMA INSURANCE DEPARTMENT

CERTIFICATE OF MAILING

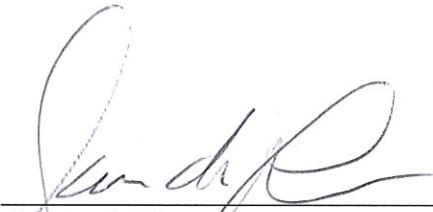
I, Sandra LaVenue hereby certify that a true and correct copy of this above and foregoing Administrative Order was mailed via certified mail with return receipt requested, and via regular mail, on the 7th day of February, 2019, to:

Drew Webb
Two Leadership Square
10th Floor
211 North Robinson
Oklahoma City, OK 73102-7103

CERTIFIED MAIL NO.:

And that a copy was delivered to:

OID Licensing Division

A handwritten signature in dark ink, appearing to read 'Sandra LaVenue', is written over a horizontal line.

Sandra LaVenue
Senior Counsel, OID
3625 NW 56th Street, Suite 100
OKLAHOMA CITY, OK 73112