

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

**STATE OF OKLAHOMA, ex rel. GLEN
MULREADY, Insurance Commissioner,**

Petitioner,

v.

**ANN ELIZABETH FRIZZELL, an applicant
for a resident producer license,
group in the State of Oklahoma,**

Respondent.

Case No. 24-0024-DIS

FILED
MAR 19 2024
INSURANCE COMMISSIONER
OKLAHOMA

ADMINISTRATIVE ORDER

A Notice of Hearing and Order for show cause was issued by the Oklahoma Insurance Department (“OID”) on January 31, 2024 and properly served upon Respondent, Ann Elizabeth Frizzell (“Respondent”), an Oklahoma resident insurance producer. A formal show cause hearing on this matter was conducted on February 16, 2024, at the offices of OID before Independent Hearing Examiner John D. Miller. Petitioner appeared through counsel, Julie Reding, Assistant General Counsel and Antuanya “Bo” DeBose, Assistant General Counsel for OID, Respondent appeared with her counsel, Mark Hammons.

After consideration of the testimony and evidence, the Hearing Examiner took the matter under advisement. After consideration of the testimony and evidence presented, this Hearing Examiner makes the following findings of fact and conclusion of law:

FINDINGS OF FACT

1. That OID has jurisdiction over the subject matter of this action pursuant to 36 O.S. §§ 101 *et seq.*, including the Oklahoma Producer Licensing Act, 36 O.S. §§ 1435.1 *et seq.*

2. That the Insurance Commissioner has the authority to render an order concerning the above styled matter through the lawfully appointed Independent Hearing Examiner John D. Miller, who sat as a quasi-judicial officer pursuant to 36 O.S. § 319.

3. Ann Elizabeth Frizzell is an applicant for a renewal of her resident insurance producer license. Respondent's license number is 68412.

4. On or about November 22, 2023, Respondent timely applied to renew her resident producer license.

5. On or about January 17, 2024, the OID denied Respondent's application for a renewal of a resident producer license.

6. OID cited the reason for the denial was under the authority of 36 O.S. § 1435.13 (A) (8), which provides that "*Insurance Commissioner may place on probation, censure, suspend, revoke or refuse to issue or renew a license 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: (8) using fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere.*"

7. Respondent in response on her Oklahoma application form for renewal of her producer license to question 1.(a), submitted a written statement and disclosed that on August 2, 2023, that she pled nolo contendere ("no contest") to a misdemeanor charge of embezzlement in Canadian County District Court case no.CF-2023-198. The statute alleged the violation was of 21 O.S. § 1451.

8. On the Judgment and Sentence and Summary of Facts in Canadian County District Court case CF-2023-198 under Question 25 in which the Defendant must state a factual basis for

the no contest or nolo contender plea, the Respondent stated, “ I made charges on a corporate card for personal reasons.” The Respondent did not state she made the charges without authority or permission.

9. Respondent through her verbal testimony and what was admitted into Evidence as OID Ex. # 2, asserted that she had been employed for Advantage Insurance Group, Inc.(“Agency”) She asserted that of the owner of the agency gave her permission to make personal charges on a business card issued in her name as an employee benefit. The long time owner of the agency whom she worked for passed away suddenly in March of 2022. Owner’s sons took over and presented her a severance package in November of 2022 admitted as Respondent’s Ex. 1, which Respondent refused to sign. The new owners then presented information to the Canadian County District Attorney who then filed the charges of Embezzlement against the Respondent.

10. Respondent received a seven (7) year deferred sentence on her no contest plea in the misdemeanor case and was ordered to pay restitution.

11. A no contest or nolo contender plea is not an admission of guilt in and of itself.

12. OID asserts that the actions of the Respondent constituted acts under 36 O.S. § 1435.13 (A) (8) and (d) which would allow them to refuse to renew her Oklahoma resident producer license.

CONCLUSIONS OF LAW

13. OID has a burden of establishing a violation of the Act by clear and convincing evidence.

14. While the no contest plea raises serious questions to consider in reissuance of a license, there must be evidence presented which establishes that the Respondent committed an act

that demonstrated fraudulent and dishonest practices or untrustworthiness. If Respondent on her plea of no contest from had stated that she made those charges without permission, that would have been enough to establish by clear and convincing evidence that she had violated the provisions of 36 O.S. § 1435.13 (A) which would allow legal grounds for OID to refuse to renew her Oklahoma resident producer license. That was not her statement. Additionally, OID could also have presented testimony from some person from the insurance agency to testify as to the insurance agency practices as to the business credit cards. The no contest plea of Respondent in and of itself without a more definitive statement being made by the Respondent either in her plea or to some other person that she did not have permission to charge personal items on her business issued credit card or testimony from an agent of the insurance agency stating the past agency procedures is not sufficient to meet the clear and convincing burden of proof required by OID to refuse to reissue her resident producer license

15. OID has not established by clear and convincing evidence that the Respondent has violated any provisions of 36 O.S. § 1435.13.

ORDER

IT IS THEREFORE ORDERED, ADJUGED, AND DECREED that Oklahoma Insurance Department reissue a resident producer license to Ann Elizabeth Frizzell after she has complied with all necessary form submittals and fee requirements.

SO ORDERED, ADJUDGED AND DECREED this 15th day of March, 2024.



JOHN D. MILLER
INDEPENDENT HEARING EXAMINER
OKLAHOMA INSURANCE DEPARTMENT

3/15/24 PM 3:58
RECEIVED

3/15/24 JAN

3/15/24 PM 3:58
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CERTIFICATE OF MAILING

I, Julie Reding, hereby certify that a true and correct copy of the above and foregoing *Administrative Order* was mailed by certified mail, with postage prepaid and return receipt requested on this 19th day of March 2024 to:

Mark Hammons, OBA No. 3784
325 Dean A. McGee Avenue
Oklahoma City, OK 73102
Email: ashley@hammonslaw.com

CERTIFIED MAIL NO:
9214 8902 0982 7500 0610 23

Ann Elizabeth Frizzell
[REDACTED]

Email: [REDACTED]
afrizzell@rcins.com

CERTIFIED MAIL NO:
9214 8902 0982 7500 0610 47

and a copy was delivered to:

Licensing Division

Maui Torres for

Julie Reding, OBA No. 15522
Assistant General Counsel