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BEFORE THE UTAH INSURANCE COMMISSIONER

<p>UTAH INSURANCE DEPARTMENT, Complainant, vs. RUSSELL BERNARD FRAME, Respondent.</p>	<p>NOTICE OF AGENCY ACTION AND ORDER</p> <p>Docket No. 2022-4420</p> <p>Donald H. Hansen Administrative Law Judge/Presiding Officer</p>
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NOTICE OF AGENCY ACTION

The Utah Insurance Department (“the Department”) commences this agency action as an informal adjudicative proceeding against Respondent Russell Bernard Frame (“Respondent”) pursuant to Utah Code §§ 31A-2-201 and 63G-4-201 through -203 and to Utah Admin. Code R590-160.

This agency action is based on the facts and law set forth in the attached Declaration and is designated as an informal adjudicative proceeding pursuant to Utah Code § 63G-4-202(1) and Utah Admin Code R590-160-4 and -8.

ORDER

Based on the facts and the law set forth in the attached Declaration, and good cause appearing, the Utah Insurance Commissioner orders as follows:

1. Respondent's application for a Utah resident producer individual insurance license is denied.

2. Pursuant to Utah Code § 63G-4-203(1)(i) and Utah Admin. Code R590-160-8(1), this informal adjudicative proceeding shall be deemed closed, and this Order shall become final and take full effect, 15 days after this Notice of Agency Action and Order is emailed to Respondent unless a request for a hearing on this matter is received from Respondent prior to that date.

3. A request for a hearing shall be in writing and sent by email to uidadmincases@utah.gov or by U.S. mail to Office of the Administrative Law Judge, Utah Insurance Department, 4315 S. 2700 W., Suite 2300, Taylorsville, UT 84129. The request for hearing shall be signed by the person making the request and shall state the basis for the relief requested.

4. If you fail to request a hearing you will be bound by this Order. Failure to request a hearing will be deemed a failure to exhaust administrative remedies and will preclude any further administrative or judicial review or appeal of this matter.

DATED this 11th day of August, 2022.

JONATHAN T. PIKE
Utah Insurance Commissioner

/s/ Donald H. Hansen
DONALD H. HANSEN
Administrative Law Judge/Presiding Officer
Utah Insurance Department
4315 S. 2700 W., Suite 2300
Taylorsville, UT 84129
Telephone: (801) 957-9321
Email: uidadmincases@utah.gov

NOTICE REGARDING ENFORCEMENT OF THE ORDER

Failure to obey the Order may subject you to further penalties that include a forfeiture of up to \$2,500 per violation, with each day of the violation constituting a separate violation. Other penalties for failing to obey this Order include license suspension, probation, refusal to renew, or revocation. Failure to obey this Order may also result in an action taken against you in a court of competent where forfeitures of up \$10,000 for each day the failure to comply continues until judgement is rendered. If you are licensed in other jurisdictions, you may be required to report this proceeding to those jurisdictions.

DECLARATION

Under criminal penalty of Utah law, I, Randy Overstreet, declare the following:

1. I am currently employed as Manager of Producer Licensing in the Financial Regulation & Licensing Division with the Utah Insurance Department (“Department”) where my responsibilities include investigating and enforcing Utah insurance laws.

2. I submit this Declaration as the basis for issuing the Notice of Agency Action and Order against Russell Bernard Frame (“Respondent”) to which this Declaration is attached.

3. Based on my personal knowledge and/or based on the facts appearing in the Department’s records and files, the following facts are true:

a. Respondent applied for a Utah resident producer individual insurance license on August 1, 2022.

b. In his application, Respondent answered “no” to the question “have you ever been convicted of a misdemeanor, had a judgment withheld or deferred, or are you currently charged with committing a misdemeanor”.

c. On March 3, 2022, Respondent was charged with Retail Theft, a Class A Misdemeanor. On May 24, 2022, Respondent entered his guilty plea to the Class A Misdemeanor and the plea was held in abeyance. Respondent was ordered to pay a fine and placed on probation for a period of eighteen months. Respondent is still currently on probation for this crime. (See American Fork City vs. Russell Bernard Frame, case # 221100174.)

d. Respondent failed to report the criminal charges or his plea in abeyance agreement to the Department.

d. On June 10, 2015, a monetary judgment was entered against Respondent in the amount of \$811.81. Based upon the court documents that I have reviewed, this judgement remains outstanding. (See Checknet Inc vs. Russell Frame, case # 159102252, Utah County, State of Utah.)

f. On May 16, 2022, a monetary judgment was entered against Respondent in the amount of \$9,083.26. Based upon the court documents that I have reviewed, this judgement remains outstanding. (See Bella Grace Apartments vs. Russell Bernard Frame, case # 219401669, Utah County, State of Utah.)

4. The above declared facts demonstrate that the following Utah insurance laws were not complied with:

- a. Utah Code § 31A-23a-104(2)(b)(v) by failing to provide information in his application regarding whether the Respondent has committed an act that is ground for denial as set forth in Section 31A-23a 105 or 31A-23a-111;
- b. Utah Code § 31A-23a-105(5)(a)(ii) by committing an act that is grounds for denial, suspension, or revocation as set forth in Section 31A-23a-111;
- c. Utah Code § 31A-23a-105(2)(b)(ii) by failing to report at the time of filing the license application a criminal prosecution taken against the Respondent;
- d. Utah Code § 31A-23a-107(2)(a)(ii) by failing to meet the trustworthy character requirement;
- e. Utah Code § 31A-23a-111(5)(b)(i) by being unqualified for a license under Utah Code § 31A-23a-104, 105, or 107;
- f. Utah Code § 31A-23a-111(5)(b)(ix) by providing information in the license application that is incorrect, misleading, incomplete or materially untrue;

- g. Utah Code § 31A-23a-111(5)(b)(xi) by obtaining or attempting to obtain a license through misrepresentation or fraud;
 - h. Utah Code § 31A-23a-111(5)(b)(iv) by failing to pay a final judgment rendered against Respondent in this state within 60 days after the day on which the judgment became final.
 - i. Utah Code § 31A-23a-111(5)(b)(xiv)(B) by being convicted of a misdemeanor involving fraud, misrepresentation, theft, or dishonesty; and
 - j. Utah Administrative Rule R590-281-4(1) by applying for a license prior to the end of the required time period resulting from Respondent's misdemeanor conviction involving fraud, misrepresentation, theft, or dishonesty.
5. Based on the facts and law set forth above, Respondent's application for a resident limited-line producer individual insurance license should be denied.

Signed on this 9th day of August 2022, in Salt Lake City, Salt Lake County, State of Utah.

/s/ Randy Overstreet
Randy Overstreet, Manager, Producer Licensing
Financial Regulation & Licensing Division
Utah Insurance Department

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this date a true and correct copy of the foregoing Notice of Agency Action and Order, with the Declaration attached to it, was emailed to:

Russell Bernard Frame
[REDACTED]

and

Randy Overstreet
Utah Insurance Department
[REDACTED]

DATED this 11th day of August 2022.

/s/ Jeanine Couser

Jeanine Couser
Utah Insurance Department
4315 S. 2700 W., Suite 2300
Taylorsville, UT 84129
(801) 957-9321