



**DEPARTMENT OF INSURANCE, FINANCIAL
INSTITUTIONS AND PROFESSIONAL REGISTRATION**

P.O. Box 690, Jefferson City, Mo. 65102-0690

In the Matter of:

Jared Frierson,

Applicant.

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Case No. 131002546C

CONSENT ORDER

John M. Huff, Director of the Department of Insurance, Financial Institutions and Professional Registration takes up the above matter for consideration and disposition. The Consumer Affairs Division, through legal counsel Mary S. Erickson, and Jared Frierson, have reached a settlement in this matter and have consented to the issuance of this Consent Order.

1. John M. Huff is the duly appointed Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration ("Director" of the "Department") whose duties, pursuant to Chapters 374 and 375 RSMo,¹ include the supervision, regulation and discipline of insurance producers and business entity producers.

2. The Director has authority to grant or deny consent to individuals prohibited from engaging in the business of insurance pursuant to the Insurance Fraud Prevention Act of 1994, 18 U.S.C. § 1033.

¹ All statutory references are to the 2013 Supplement to the Revised Statutes of Missouri unless otherwise noted.

3. The Consumer Affairs Division ("Division") has the duty of conducting investigations into the acts of insurance producers under the insurance laws of this state and is authorized by the Director to investigate and to recommend enforcement action for violations of the insurance laws of this state.

4. On or about January 18, 2013, Jared Frierson ("Frierson") submitted an incomplete electronic application for an insurance producer license restricted to credit ("Application") to the Department.

5. In the section of the Application headed "Background Information," Question # 1 asks, in relevant part: "Have you ever been convicted of a crime, had a judgment withheld or deferred, or are you currently charged with committing a crime?" Frierson answered "Yes."

6. With his Application, Frierson submitted a letter explaining his felony conviction and a copy of the court docket sheet from that conviction.

7. On May 7, 2001, Frierson pled guilty to Class C Felony Stealing. According to the Probable Cause Affidavit filed with and attached to the original Complaint on December 27, 2000, Frierson stole money from Fastrip, his employer, by running customers' credit card numbers twice. Frierson also kept payments for cash purchases by working with an open cash drawer. *State v. Jared L. Frierson*, Jasper Co. Cir. Ct., Case No. 00CR681611-01.

8. The court sentenced Frierson to the custody of the Department of Corrections for two (2) years, but suspended the execution of sentence and ordered Frierson to serve five (5) years supervised probation and to pay full restitution. *Id.*

9. On November 8, 2004, the court revoked Frierson's probation due to his violation of three conditions of his probation. The court again placed Frierson on five (5) years' probation. On May 6, 2006 the court discharged Frierson from probation. *Id.*

10. In the letter of explanation attached to his Application, Frierson described that he committed the criminal offense when he was 19 years old.

11. Also on his Application, Frierson's employment history reveals that he has been employed by car dealerships continuously since 2002, first in sales, and then later becoming finance director. As Frierson describes it in his letter of explanation, the ability to sign and sell credit life insurance "is a key component to my job."

12. Frierson acknowledges and understands that, pursuant to 18 U.S.C. § 1033, he is prohibited from engaging in the business of insurance in Missouri without the Director's consent because he has been convicted of a felony involving dishonesty or a breach of trust.

13. On April 11, 2013, Special Investigator Karen Crutchfield ("Crutchfield"), of the Division, sent a letter by first class mail to Frierson's mailing address of record requesting details of the crime and certified court documents. In addition, Crutchfield requested that Frierson fill out an Application to the Missouri Department of Insurance, Financial Institutions and Professional Registration for Written Consent to Engage in the Business of Insurance Pursuant to 18 U.S.C. § 1033 ("§ 1033 Consent Application"). The letter requested a response on or before May 1, 2013. The first class mail was not returned to the Department as undeliverable. Frierson did not respond with the requested information and did not contact the Department in any other way to demonstrate a reasonable justification for the delayed response in violation of 20 CSR 100-4.100(2)(A).

14. On May 3, 2013, Crutchfield sent another letter by first class mail to Frierson's mailing address of record requesting details of the crime and certified court documents. Crutchfield again requested that Frierson fill out a § 1033 Consent Application. The letter requested a response on or before June 18, 2013. On May 21, 2013, Frierson called and

requested an extension which was granted with Frierson's response due June 18, 2013. Frierson failed to respond with the requested information and did not contact the Department in any other way to demonstrate a reasonable justification for a delayed response, again violating 20 CSR 100-4.100(2)(A).

15. On or about July 11, 2013, Crutchfield spoke with Frierson by telephone who discussed his steady employment in car dealerships and that an insurance producer license restricted to credit is necessary to his employment.

16. In their telephone conversation, Crutchfield explained the necessity and process for completing a § 1033 Consent Application because of Frierson's felony conviction involving dishonesty or a breach of trust.

17. On August 12, 2013, Frierson submitted a § 1033 Consent Application to the Department.

18. Frierson acknowledges and understands that under § 375.141.1(2), the Director may refuse to issue him a license for violating an insurance regulation, namely 20 CSR 100-4.100(2)(A).

19. Frierson acknowledges and understands that under § 375.141.1(6), the Director may refuse to issue him an insurance producer license because Frierson has been convicted of a felony, which is also a crime involving moral turpitude, namely Class C Felony Stealing. *State v. Frierson*, Jasper Co. Cir. Ct., Case No. 00CR681611-01.

20. Frierson acknowledges and understands that under § 375.141.1(8), the Director may refuse to issue him a license for using fraudulent or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this

state because Frierson stole money from customers and his employer while employed by Fastrip.

Id.

21. Frierson acknowledges and understands that he has the right to consult counsel at his own expense.

22. Frierson stipulates and agrees to waive any waivable rights that he may have to a hearing before the Administrative Hearing Commission or the Director and any rights to seek judicial review or other challenge or contest of the terms and conditions of this Consent Order and forever releases and holds harmless the Department, the Director and his agents, and the Consumer Affairs Division from all liability and claims arising out of, pertaining to, or relating to this matter.

23. Frierson acknowledges and understands that this Consent Order is an administrative action and will be reported by the Department to other states. Frierson further acknowledges and understands that this administrative action should be disclosed on future applications and renewal applications, if required, and that it is his responsibility to comply with the reporting requirements of each state in which he is licensed.

24. Each signatory to this Consent Order certifies by signing that he or she is fully authorized, in his or her own capacity, or by the named party he or she represents, to accept the terms and provisions of this Consent Order in their entirety, and agrees, in his or her personal or representational capacity, to be bound by the terms of this Consent Order.

Conclusions of Law

25. The actions admitted by Frierson are grounds to refuse his producer license pursuant to § 375.141.1(2), (6), and (8).

26. Pursuant to 18 U.S.C. § 1033, the Director has discretion to grant or deny consent to Frierson to engage in the business of insurance in this state.

27. The Director may impose orders in the public interest under § 374.046.

28. The terms set forth in this Consent Order are an appropriate disposition of this matter and entry of this Consent Order is in the public interest.

SETTLEMENT TERMS AND ORDERS

Order Regarding Section 1033 Consent

IT IS ORDERED that the Director, having duly received and considered Jared Frierson's 18 U.S.C. § 1033 Consent Application, will grant such application, subject to the following conditions:

1. In the event that the Director determines that Jared Frierson, or a representative of Jared Frierson, has made a materially false or misleading statement, or has failed to disclose information material to the Director's determination herein, the § 1033 Consent shall be void.

2. In the event that the Director determines that Jared Frierson has violated any condition of this Consent Order, the § 1033 Consent shall be void.

3. In the event that the insurance producer license restricted to credit to be issued to Jared Frierson pursuant to this Consent Order expires or is refused on renewal or revoked, the § 1033 Consent shall be void.

Order Regarding License Issuance

IT IS FURTHER ORDERED that the Department will issue an insurance producer license **restricted to credit** to Jared Frierson, subject to the following conditions:

1. Jared Frierson shall respond to all inquiries and consumer complaints forwarded or otherwise communicated to him by the Department of Insurance, Financial Institutions and

Professional Registration within five (5) business days of receipt. Such response shall only be by Jared Frierson personally or by and through an attorney representing Jared Frierson.

2. Jared Frierson shall report to the Department of Insurance, Financial Institutions and Professional Registration any arrest, guilty plea, nolo contendere plea, finding of guilt or conviction concerning a felony, misdemeanor or crime of moral turpitude, within five (5) business days of such event.

3. Jared Frierson shall report to the Department of Insurance, Financial Institutions and Professional Registration any violation of or failure to comply with the laws set forth in Chapters 374 and 375 and all regulations promulgated thereunder within five (5) business days of such violation or failure to comply.

4. Jared Frierson shall report to the Department any administrative action taken against him in another jurisdiction or by another governmental agency in this state within five (5) business days after he receives notification of the initiation of such administrative action.

5. For two (2) years subsequent to the date of this executed Consent Order, Jared Frierson will voluntarily surrender his license to the Department within 30 days of his entry of a guilty plea, nolo contendere plea, finding of guilt, or convictions for a felony or crime of moral turpitude.

6. If Jared Frierson maintains his producer license restricted to credit beyond the initial term and complies with the terms of this Consent Order, Jared Frierson may apply to renew his insurance producer license restricted to credit and the Director shall consider the renewal application in accordance with Chapters 374 and 375, without regard to his prior criminal conviction in *State v. Jared L. Frierson*, Jasper Co. Cir. Ct., Case No. 00CR681611-01.

7. The special conditions listed in Order Regarding License Issuance, paragraphs 1 through 6, outlined above, will expire two (2) years from the date this Consent Order is issued or upon the renewal of Frierson's insurance producer license restricted to credit, whichever is date is later.

IT IS FURTHER ORDERED that the Director may pursue additional legal remedies, as necessary and without limitation, as authorized by Chapters 374 and 375 RSMo, including remedies for violations of, or failure to comply with, the terms of this Consent Order.

IT IS FINALLY ORDERED that the issuance of this Consent Order (and the § 1033 Consent contained herein) does not restrict or limit the Director's authority or discretion under Missouri's insurance laws regarding any future application by Jared Frierson for any other line of authority as an insurance producer or any other license regulated by the Director and the Department.

SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS 3RD DAY OF APRIL, 2014.




JOHN M. HUFF

Director, Missouri Department of Insurance,
Financial Institutions and Professional
Registration



CONSENT AND WAIVER OF HEARING

The undersigned persons understand and acknowledge that Jared Frierson may have a right to a hearing, but that Jared Frierson has waived the hearing and consented to the issuance of this Consent Order.



Jared Frierson
3206 Granite Creek Dr.
Columbia, MO 65202
Applicant


3/26/14

Date

Counsel for Respondent
Name: _____
Bar No. _____
Address: _____

Telephone: _____

Date



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4/1/14

Date