

**BEFORE THE COMMISSIONER OF INSURANCE
OF THE STATE OF KANSAS**

FINAL ORDER

Effective: 09/08/03

In the Matter of the Kansas Nonresident)	
Insurance Agent's License of)	Docket No. 3198-SO
CRYSTAL IRENE LADD)	

SUMMARY ORDER

(Pursuant to K.S.A. 2002 Supp. 40-4909 and K.S.A. 77-537)

Pursuant to authority granted to the Commissioner of Insurance ("Commissioner") by K.S.A. 2002 Supp. 40-4909, the Commissioner hereby revokes the nonresident agent's license of Crystal Irene Ladd ("Ladd") by way of Summary Order as provided by K.S.A. 77-537.

Findings of Fact

The Commissioner has been shown the following facts:

1. Records maintained by the Kansas Insurance Department ("KID") indicate that Ladd is licensed as a nonresident agent to transact the business of insurance in the State of Kansas, and was been so licensed from June 30, 2000, until the license was terminated on July 13, 2003, for failure to comply with continuing education requirements. KID records further indicate a legal and mailing address of 620 Stewart St., Bartley, NE 69020.
2. The National Association of Insurance Commissioners ("NAIC") Regulatory Information Retrieval System ("RIRS") database reflects the following information: Ladd's New York insurance agent's license was revoked, effective November 22, 2002, based on a demonstrated lack of fitness or trustworthiness.
3. By letter of May 15, 2003, the KID attempted to contact Ladd at her address of record for an explanation of the action.

4. By letter of July 1, 2003, KID made a second request for Ladd's explanation and gave notice that action would be taken to revoke Ladd's license if her response was not received by July 16, 2003.

5. To date, the KID has not received a notice from Ladd of the disciplinary action, response to the letters, or a change of address.

Applicable Law

6. K.S.A. 2002 Supp. 40-4909(a) provides, in relevant part:

“The commissioner may deny, suspend, revoke or refuse renewal of any license issued under this act if the commissioner finds that the applicant or license holder has . . . (2) Violated: (A) Any provision of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, or any rule and regulation promulgated thereunder; (B) any subpoena or order of the commissioner; . . . (8) Used any fraudulent, coercive, or dishonest practice, or demonstrated any incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere; (9) Had an insurance agent license, or its equivalent, denied, suspended or revoked in any other state, district or territory.” K.S.A. 2002 Supp. 40-4909(a).

7. Administrative regulations require that a person licensed in this state as an insurance agent shall, within 30 days of the occurrence, report enumerated events to the Commissioner. Among these events are disciplinary action against the agent's license by the insurance regulatory official of any other state or territory and a change of address. K.A.R. § 40-7-9.

8. The Commissioner may revoke any license issued under the Insurance Agents Licensing Act if the Commissioner finds that the insurable interests of the public are not properly served under such license. K.S.A. 2002 Supp. 40-4909(b).

9. The lapse of a license or a licensee's failure to renew a license does not deprive the Commissioner of jurisdiction to proceed with a disciplinary proceeding against the license.

Conclusions of Law

10. The Commissioner has jurisdiction over Ladd as well as the subject matter of this proceeding, and such proceeding is held in the public interest.

11. The Commissioner finds that Ladd's Kansas license may be revoked solely because Ladd has had a license revoked in another state.

12. The Commissioner further concludes that Ladd violated the administrative regulation requiring a licensed agent to report disciplinary action by other states within 30 days by failing to report the disciplinary action in New York.

13. In addition, the Commissioner finds that Ladd failed to respond two inquiries about the suspensions, including one that gave notice that her license would be revoked if she did not respond, thereby violating the equivalent of a subpoena or order of the Commissioner.

14. Accordingly, the Commissioner concludes that sufficient grounds exist for the revocation of the insurance agent's license of Crystal Irene Ladd pursuant to K.S.A. 2002 Supp. 40-4909(a).

15. The Commissioner adopts the findings of the New York order and finds that Ladd has demonstrated a lack of trustworthiness in the conduct of business.

16. Moreover, the Commissioner finds that Ladd has demonstrated irresponsibility in the conduct of business by failing to report the disciplinary action taken by New York to KID and failing to respond to KID's inquiries, and Ladd's insurance agent's license should be revoked pursuant to K.S.A. 2002 Supp. 40-4909(b) for the protection of the insurable interests of the public.

17. Based on the facts and circumstances set forth herein, it appears that the use of summary proceedings in this matter is appropriate, in accordance with the provisions set forth in

K.S.A. 77-537(a), in that the use of summary proceedings does not violate any provision of the law and the protection of the public interest does not require the KID to give notice and opportunity to participate to persons other than Crystal Irene Ladd.

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT the Kansas resident insurance agent's license of Crystal Irene Ladd is hereby **REVOKED.**

Notice and Opportunity for Hearing

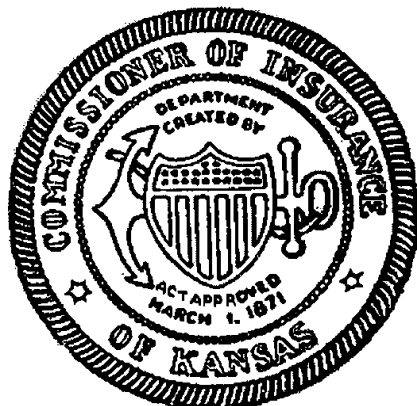
Crystal Irene Ladd, within fifteen (15) days of service of this Summary Order, may file with the KID written request for a hearing on this Summary Order, as provided by K.S.A. 77-542. In the event a hearing is requested, such request should be directed to John W. Campbell, General Counsel, Kansas Insurance Department, 420 S.W. 9th Street, Topeka, KS 66612.

Any costs incurred as a result of conducting any administrative hearing shall be assessed against the agent who is the subject of the hearing as provided by K.S.A. 40-4909(f). Costs shall include witness fees, mileage allowances, any costs associated with the reproduction of documents which become part of the hearing record, and the expense of making a record of the hearing.

If a hearing is not requested, this summary order shall become effective as a Final Order, without further notice, upon the expiration of the fifteen-day period for requesting a hearing. The Final Order will constitute final agency action in this matter.

In the event the Petitioner files a petition for judicial review, the agency officer designated pursuant to K.S.A. 77-613(e) to receive service of a petition for judicial review on behalf of the KID is John W. Campbell, General Counsel, Kansas Insurance Department, 420 S.W. 9th St., Topeka, KS 66612-1678.

IT IS SO ORDERED THIS 19th DAY OF AUGUST, 2003, IN THE CITY OF
TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



/s/ Sandy Praeger
Sandy Praeger
Commissioner of Insurance
BY:

/s/ John W. Campbell
John W. Campbell
General Counsel

Certificate of Service

The undersigned hereby certifies that s/he served the above and foregoing Summary Order on this 19th day of August, 2003, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Crystal Irene Ladd
620 Stewart St.
Bartley, NE 69020

/s/ John W. Campbell