

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

FINAL ORDER

Effective: 06/16/03

In the Matter of the Kansas Resident)	
Insurance Agent's License of)	Docket No. 3142-SO
HARRIET M. LUNDY)	

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 resident agent's license of Harriet M. Lundy ("Lundy") 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 Lundy is licensed as a resident agent to transact the business of insurance in the State of Kansas and has been so licensed since August 10, 1995. KID records indicate a legal and mailing address of 8913 W. 89th St., Overland Park, KS 66212.

2. On or about March 5, 2003, Lundy submitted an application for the Commissioner's consent, pursuant to 18 U.S.C. §1033, to engage in the business of insurance notwithstanding a felony conviction.

3. Some of the required supporting documents, such as the charging document and criminal history report, were not included, and the included documents were not certified as requested.

4. Details of Lundy's conviction are supported by a docket sheet from the County of Santa Barbara, California, a probation order, judge's minute sheets, and one page of a multi-page

presentence investigation report. The included documents indicated that Lundy and a codefendant were charged with multiple counts of burglary and forgery and that, pursuant to a plea agreement, Lundy pled guilty to one count of burglary and was granted a suspended sentence with five years of probation on May 3, 2001. In addition, a letter from Lundy's attorney asserts that, upon successful completion of probation, Lundy may be eligible to have the conviction declared a misdemeanor, withdraw her plea, and have the case dismissed.

5. Under the California criminal code, any person who enters a business with the intent to commit larceny or any felony is guilty of burglary. Cal. Code § 459.

6. Based on the statutory definition of burglary and the information Lundy provided, the Commissioner concludes that Lundy's conviction of burglary includes, at a minimum, a finding of guilt of attempted forgery.

7. Based on the absence of notice or prior action in KID records, the Commissioner finds that Lundy did not notify the KID of her May 3, 2001, conviction prior to submitting the application for consent pursuant to 18 U.S.C. §1033 on March 5, 2003.

Applicable Law

8. 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 or any rule and regulation promulgated thereunder; . . . (6) Been convicted of a misdemeanor or felony; . . . [or] (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. K.A.R. §40-7-9(d) requires that an agent shall, within 30 days of the occurrence, report to the Commissioner the details of any conviction of a misdemeanor or felony.

10. 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).

Conclusions of Law

11. The Commissioner has jurisdiction over Lundy and the subject matter of this proceeding, and such proceeding is held in the public interest.

12. Based upon the information contained in paragraphs 2 through 6 above, the Commissioner finds that Lundy has been convicted of a felony that includes the conduct of forgery or attempted forgery.

13. The Commissioner finds that forgery is a fraudulent and dishonest practice and the offense demonstrates financial irresponsibility in the conduct of business.

14. The Commissioner further finds that Lundy had an obligation to report the conviction to the KID within 30 days and failed to do so.

15. Accordingly, the Commissioner finds that sufficient grounds exist for the revocation of the resident insurance agent's license of Harriet M. Lundy.

16. The Commissioner concludes, moreover, that Lundy'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. Lundy's application to for the Commissioner's consent to engage in the business of insurance as an agent is rendered moot by revocation of her insurance agent's license.

18. 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 Harriet M. Lundy.

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

Notice and Opportunity for Hearing

Harriet M. Lundy, 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:

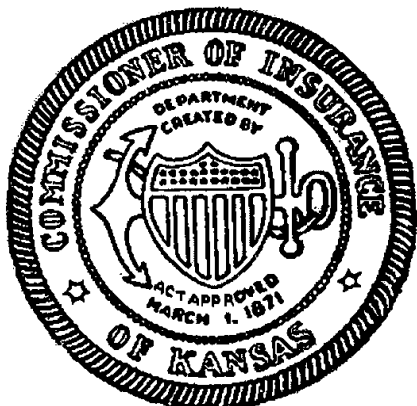
John W. Campbell
General Counsel
Kansas Insurance Department
420 S.W. 9th Street
Topeka, KS 66612

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. 2002 Supp. 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 person 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.

IT IS SO ORDERED THIS 29th DAY OF MAY, 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 he served the above and foregoing Summary Order on this 29th day of May, 2003, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Harriet M. Lundy
8913 W. 89th St.
Overland Park, KS 66212

/s/ John W. Campbell
John W. Campbell