

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

FINAL ORDER

Effective: 12/22/03

In the Matter of the Kansas Nonresident)	
Insurance Agent's License of)	Docket No. 3230-SO
STEPHEN E. JACOBS)	

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 Stephen E. Jacobs ("Jacobs") 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 Jacobs is licensed as a nonresident agent to transact the business of insurance in the State of Kansas, and has been so licensed since April 7, 2003. KID records further indicate a legal and mailing address of 3906 Whooping Crane Circle, Virginia Beach, Virginia 23455.
2. The National Association of Insurance Commissioners ("NAIC") Regulatory Information Retrieval System ("RIRS") database reflects the following information: Jacobs entered into a consent order, effective June 10, 2003, imposing a one-year probation period on his Georgia insurance agent's license as a result of criminal history.
3. By letter of September 5, 2003, the KID attempted to contact Jacobs for an explanation of the disciplinary action.
4. By letter of September 29, 2003, the KID again requested the details of the disciplinary action and set a deadline for reply of October 14, 2003.

5. To date, the KID has not received notice from Jacobs of the disciplinary action or notice of a change of address.

6. After obtaining and reviewing the Georgia consent order, legal staff attempted to contact Jacobs by letter dated November 13, 2003.

7. The November 13 letter was returned, marked “moved left no address/unable to forward/return to sender” as of November 21, 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, and amendments thereto, or any rule and regulation promulgated thereunder . . . (8) . . . demonstrated any incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere.” K.S.A. 2002 Supp. 40-4909(a).

9. 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.

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 Jacobs as well as the subject matter of this proceeding, and such proceeding is held in the public interest.

12. The Commissioner concludes that Jacobs' license may be revoked because Jacobs has violated the administrative regulation requiring a licensed agent to report disciplinary action by other states or a change of address within 30 days.

13. The Commissioner concludes that sufficient grounds exist for the revocation of the insurance agent's license of Stephen E. Jacobs pursuant to K.S.A. 2002 Supp. 40-4909(a).

14. Moreover, the Commissioner concludes that Jacobs' license may be revoked because Jacobs has failed to respond to a proper inquiry from KID, demonstrating a disregard for the regulatory authority of the Commissioner and a lack of trustworthiness in the conduct of business.

15. Accordingly, the Commissioner finds that Jacobs' Kansas nonresident 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.

16. 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 Stephen E. Jacobs.

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT the Kansas nonresident insurance agent's license of Stephen E. Jacobs is hereby REVOKED.

Notice and Opportunity for Hearing

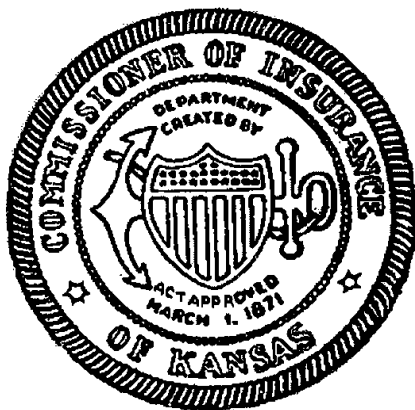
Stephen E. Jacobs, within fifteen (15) days of service of this Summary Order, may file with the KID written request for a hearing on this Summary Order, as provided by K.S.A. 77-

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.

IT IS SO ORDERED THIS 3rd DAY OF DECEMBER 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

NOTICE: 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.

Certificate of Service

The undersigned hereby certifies that she served a true and correct copy of the above and foregoing Summary Order on this 3rd day of December 2003, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Stephen E. Jacobs
3906 Whooping Crane Circle
Virginia Beach, VA 23455

_s/ Brenda J. Clary_____

Brenda J. Clary