

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

<b>FINAL ORDER</b>
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Effective: 6-21-04
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In the Matter of the Kansas Nonresident     )  
Insurance Agent's License of                     )  
SHAWN A. ROTH                                     )

Docket No.   3324-SO

**SUMMARY ORDER**

(Pursuant to K.S.A. 2003 Supp. 40-4909 and K.S.A. 77-537)

Pursuant to authority granted to the Commissioner of Insurance ("Commissioner") by K.S.A. 2003 Supp. 40-4909, the Commissioner hereby imposes sanctions against the nonresident agent's license of Respondent Shawn A. Roth 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 Respondent is licensed as a nonresident agent to transact the business of insurance in the State of Kansas, and has been so licensed since April 15, 2003. KID records further indicate a legal and mailing address of 11327 Aries Dr., Orlando, FL 32837.
2. Respondent disclosed criminal history on his application for Kansas insurance agent's license, and a license was issued.
3. The National Association of Insurance Commissioners ("NAIC") Regulatory Information Retrieval System ("RIRS") database reflects the following actions: Respondent was denied a producer's license in North Carolina, effective December 23, 2003, for failure to respond and criminal history.

4. By letter dated March 1, 2004, and addressed to Respondent at his address of record, KID requested details of the regulatory action and advised Respondent that failure to reply by March 15, 2004, could result in action against his license.

5. By letter dated April 5, 2004, KID made a second request and advised Respondent that failure to reply by April 20, 2004 would result in action to revoke his license.

6. To date, Respondent has not responded to the inquiry or notified KID of the action or a change of address.

### **Applicable Law**

7. K.S.A. 2003 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; . . . (6) Been convicted of a misdemeanor or felony . . . (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. 2003 Supp. 40-4909(a).

8. 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, criminal convictions, or changes of address. K.A.R. § 40-7-9.

9. In lieu of taking any other action under subsection (a) of K.S.A. 40-4909, the commissioner may impose monetary penalties as provided by K.S.A. 2003 Supp. 40-4909(h).

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. 2003 Supp. 40-4909(b).

### **Conclusions of Law**

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

12. The Commissioner finds that Respondent has violated K.A.R. §40-7-9 by failing to notify KID of the license denial within 30 days

13. The Commissioner, concludes that good cause exists pursuant to K.S.A. 2003 Supp. 40-4909(a) to revoke Respondent's Kansas nonresident insurance agent's license or impose administrative penalties pursuant to K.S.A. 2003 Supp. 40-4909(h) in lieu of revocation.

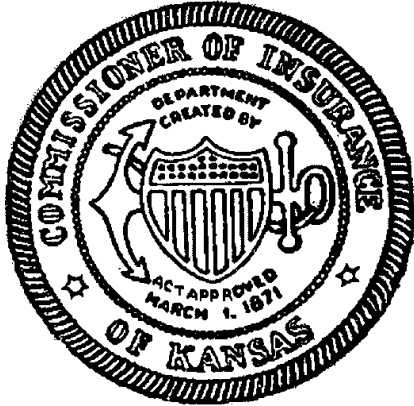
14. In addition, the Commissioner finds that Respondent failed or refused to respond to a proper inquiry from the Commissioner, demonstrating a disregard for regulatory authority beyond mere failure to comply with K.A.R. §40-7-9.

15. The Commissioner concludes that Respondent's insurance agent's license may be revoked for the protection of the insurable interests of the public pursuant to K.S.A. 2003 Supp. 40-4909(b).

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 Shawn A. Roth.

**IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT** Respondent Shawn A. Roth shall pay an administrative penalty of \$500 for failure to respond to the Commissioner's inquiries, and the Kansas nonresident insurance agent's license of Shawn A. Roth is hereby **SUSPENDED on the effective date of this order until such time as the penalty is paid in full.**

**IT IS SO ORDERED THIS \_3rd\_ DAY OF JUNE 2004, 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:** 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. 9<sup>th</sup> St., Topeka, KS 66612-1678.

**Certificate of Service**

The undersigned hereby certifies that she served a true and correct copy of the above and foregoing **Notice** and **Summary Order** on this \_3rd\_ day of June 2004, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

\_\_\_\_\_  
/s/ Brenda J. Clary  
Brenda J. Clary

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In the Matter of the Kansas Nonresident        )  
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**NOTICE OF SUMMARY ORDER**

Notice is hereby given that the attached Summary Order will become effective fifteen (15) days after service of this Notice unless Respondent Shawn A. Roth files with the Kansas Insurance Department ("KID") a written request for a hearing, as provided by K.S.A. 77-542. In the event a hearing is requested, the attached summary order will serve to give notice of the allegations upon which KID bases its proposed action.

A request for hearing should be directed to John W. Campbell, General Counsel, Kansas Insurance Department, 420 S.W. 9<sup>th</sup> Street, Topeka, KS 66612.

Any costs of an administrative hearing may be assessed against an agent who is the subject of the hearing as provided by K.S.A. 40-4909(f).

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.

Dated this 3<sup>rd</sup> day of June 2004.

\_s/ Brenda J. Clary\_\_\_\_\_   
Brenda J. Clary  
Staff Attorney  
Kansas Insurance Department