

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

**FINAL ORDER**  
**Effective: 05/01/06**

In the Matter of the Kansas Nonresident )  
Insurance Agent's License of ) Docket No. 3533-SO  
PHIL A. PARIMORE )

**SUMMARY ORDER**  
**(Pursuant to K.S.A. (2004 Supp.) 40-4909 and K.S.A. 77-537)**

Pursuant to authority granted to the Commissioner of Insurance ("Commissioner") by K.S.A. (2004 Supp.) 40-4909, the Commissioner hereby revokes the nonresident agent's license of Phil A. Parimore ("Parimore") 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 Parimore is licensed as a nonresident agent to transact the business of insurance in the State of Kansas, and has been so licensed since November 5, 2002. KID records further indicate a legal address of 7482 Cordova Club Dr. Cordova, TN 38018, and a mailing address of 1326 Hardwood Trial, Ste. 101, Cordova, TN 38016.

2. The National Association of Insurance Commissioners ("NAIC") Regulatory Information Retrieval System ("RIRS") database reflects the following information: Parimore was fined and his insurance agent's license was revoked by the State of Indiana, effective October 19, 2005, for his failure to respond regarding unauthorized insurance business and misappropriation of premium.

3. By letter of January 24, 2006, the KID directed Parimore to provide the Department with a copy of the order that was issued by the Indiana Insurance Department for the above-stated actions on or before February 10, 2006.

4. On February 14, 2006, KID again wrote to Parimore informing him that he has failed to comply with the KID's January 24, 2006 request for document. KID further warns Parimore if he does not respond to KID's said request by February 28, 2006, his nonresident agent license shall be revoked.

5. To date, KID has not received any response from Parimore regarding the actions taken by state of Indiana.

### **Applicable Law**

6. K.S.A. (2004 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; . . . (9) Had an insurance agent license, or its equivalent, denied, suspended or revoked in any other state, district or territory." K.S.A. (2004 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. (2004 Supp.) 40-4909(b).

## **Conclusions of Law**

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

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

11. In addition, the Commissioner finds that Parimore failed to respond to KID's repeated inquiries about the state actions against his licenses in Indiana, despite clear notice that failure to do so may impact the status of his Kansas license, thereby violating the equivalent of a subpoena or order of the Commissioner.

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

13. Accordingly, the Commissioner concludes that sufficient grounds exist for the revocation of the insurance agent's license of Phil A. Parimore pursuant to K.S.A. (2004 Supp.) 40-4909(a).

14. Moreover, the Commissioner finds that Parimore has demonstrated irresponsibility in the conduct of business by failing to report the disciplinary actions taken by Indiana to KID, and his insurance agent's license should be revoked pursuant to K.S.A. (2004 Supp.) 40-4909(b) for the protection of the insurable interests of the public.

15. 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 Phil A. Parimore.

**IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE**  
**THAT** the Kansas non-resident insurance agent's license of Phil A. Parimore is hereby  
**REVOKE**D.

**Notice and Opportunity for Hearing**

Phil A. Parimore, 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. 9<sup>th</sup> Street, Topeka, KS 66612.

Any costs incurred as a result of conducting any administrative hearing shall be assessed against the agent/agency 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. 9<sup>th</sup> St., Topeka, KS 66612-1678.

**IT IS SO ORDERED THIS 22nd DAY OF MARCH, 2006, 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 22nd day of March, 2006, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Phil A. Parimore  
1326 Hardwood Trail, Ste. 101  
Cordova, TN 38016

/s/ Hsingkan Chiang \_\_\_\_\_  
Hsingkan Chiang, Staff Attorney