

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

**FINAL ORDER**

**Effective: 07-24-07**

In the Matter of the Kansas Resident )  
Insurance Agent's License of )  
**JOHN M. HOISINGTON** )

Docket No. 3686-SO

**SUMMARY ORDER**

(Pursuant to K.S.A. 2006 Supp. 40-4909 and K.S.A. 77-537)

Pursuant to authority granted to the Commissioner of Insurance ("Commissioner") by K.S.A. 2006 Supp. 40-4909, the Commissioner hereby revokes the Kansas Resident Insurance Agent's License of JOHN M. HOISINGTON ("Respondent") 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 Respondent is licensed as a resident insurance agent to transact the business of insurance in the State of Kansas, and has been so licensed since 12/18/1989. KID records further indicate a legal and mailing address of 3225 Pepper Ridge, Wichita, Kansas 67205.
2. On May 8, 2007, KID received notice from Allstate Workplace Division ("Allstate") cancelling the company appointment of Respondent after an internal investigation determined Respondent falsified and submitted approximately 690 applications for insurance for American Heritage Life.
3. Because of the false applications, the company was misled into advancing over \$200,000 of commissions to Respondent which were not due.
4. Accordingly, Allstate determined the termination was "for cause."

5. On May 16, 2007, KID Producers Division Director, LeRoy Brungardt, wrote Respondent requesting a response to the termination and including an explanation for Respondent's actions involved in the situation.
6. Respondent's representative, D.K. Hayes ("Hayes") wrote KID stating Respondent was not in a position to answer the allegations made against him by Allstate. The letter stated Respondent "knew his license would be terminated".

### **Applicable Law**

K.S.A. 2006 Supp. 40-4909 states, in pertinent part:

- (a) 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 or regulation promulgated thereunder.
  - (8) Used any fraudulent, coercive, or dishonest practice, or demonstrated any incompetence or untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere.
  - (10) Forged another person's name to an application for insurance or to any document related to an insurance transaction.
- (b) In addition, the commissioner may suspend, revoke or refuse renewal of any license issued under this act if the commissioner finds that the interests of the insurer or the insurable interests of the public are not properly served under such license.

### **Conclusions of Law**

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

8. The Commissioner concludes Respondent has violated K.S.A. 2006 Supp. 40-4909(a)(8) by using fraudulent practices, demonstrating untrustworthiness, and financial irresponsibility in the conduct of business in this state by forging signatures for approximately 690 applicants for insurance with American Heritage Life.
9. The Commissioner concludes Respondent has violated K.S.A. 2006 Supp. 40-4909(a)(10) by forging signatures for applicants for insurance with American Heritage Life.
10. The Commissioner concludes the insurable interests of the public are not properly served under such license pursuant to K.S.A. 2006 Supp. 40-4909(b).
11. Accordingly, the Commissioner concludes that sufficient grounds exist for the revocation of the Kansas resident insurance agent's license of JOHN M. HOISINGTON pursuant to K.S.A. 2006 Supp. 40-4909(a).
12. In addition, the Commissioner concludes the Kansas resident insurance agent's license of JOHN M. HOISINGTON should be revoked without delay for the protection of the insurable interests of the public pursuant to K.S.A. 2006 Supp. 40-4909(b).
13. Based on the facts and circumstances set forth herein, it appears the use of summary proceedings in this matter are 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 KID to give notice and opportunity to participate to persons other than JOHN M. HOISINGTON.

**IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT** the Kansas Resident Insurance Agent's License of JOHN M. HOISINGTON is hereby **REVOKED**, effective the effective date of this Order.

**IT IS FURTHER ORDERED** that the Respondent JOHN M. HOISINGTON shall **CEASE** and **DESIST** from the sale, solicitation or negotiation of insurance and/or receiving compensation deriving from the sale, solicitation or negotiation of insurance after the effective date of this Order.

**NOTICE OF RIGHTS**

JOHN M. HOISINGTON ("Respondent") is entitled to a hearing pursuant to K.S.A. 77-537, the Kansas Administrative Procedure Act. If Respondent desires a hearing, he must file a written request for a hearing with:

John W. Campbell, General Counsel  
Kansas Insurance Department  
420 S.W. 9<sup>th</sup> Street  
Topeka, Kansas 66612

This request must be filed within fifteen (15) days from the date of service of this Order. If Respondent requests a hearing, the Kansas Insurance Department will notify you of the time and place of the hearing and information on the procedures, right of representation, and other rights of parties relating to the conduct of the hearing, before commencement of the same.

If a hearing is not requested in the time and manner stated above, this Order shall become effective as a Final Order upon the expiration of time for requesting a hearing, pursuant to K.S.A. 77-613. In the event Respondent files a petition for judicial review, pursuant to K.S.A. 77-613(e), the agency officer to be served on behalf of the Kansas Insurance Department is:

John W. Campbell, General Counsel  
Kansas Insurance Department

420 S.W. 9<sup>th</sup> Street  
Topeka, Kansas 66612

**IT IS SO ORDERED THIS 5th DAY OF JULY, 2007, 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 he served a true and correct copy of the above and foregoing **NOTICE OF RIGHTS** and **SUMMARY ORDER** on this \_\_5th\_\_ day of \_\_\_\_\_July\_\_\_\_\_, 2007, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

John M. Hoisington  
3225 Pepper Ridge  
Wichita, Kansas 67205

\_ /s/ Zachary J.C. Anshutz \_\_\_\_\_  
Zachary J.C. Anshutz  
Staff Attorney