

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

FINAL ORDER Effective: 09-18-07
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In the Matter of the Kansas Resident)	
Insurance Agent's License of)	Docket No. 3690-EO
DEATRICE B. BROWN)	

EMERGENCY ORDER
(Pursuant to K.S.A. 2006 Supp. 40-4909, and K.S.A. 77-536)

Pursuant to authority granted to the Commissioner of Insurance ("Commissioner") by the statutes cited above, the Commissioner hereby makes the following findings of fact, conclusions of law, state policy reasons, and orders as follows:

Findings of Fact

The Commissioner has been shown the following:

1. Records maintained by the Kansas Insurance Department ("KID") indicate that Respondent is licensed as a resident agent to transact the business of insurance in the State of Kansas, and has been so licensed since May 22, 2003. KID records further indicate an address of P.O. Box 3243, Kansas City, Kansas 66103-0243.
2. On or about October 11, 2005, [REDACTED] filed a complaint with KID after she received notice from her insurer that her policy had been canceled per her request. Ms. [REDACTED] advised that she made no such request.
3. On or about October 31, 2005, USF&G Specialty Insurance Company responded to the complaint by [REDACTED] and advised KID that the policy was rescinded back to its effective date of August 12, 2005 by the Brown Insurance Agency on August 13, 2005.
4. On or about November 29, 2005, Deatrice ("DeeDee") Brown, a Kansas resident agent working for the Brown Insurance Agency, notified KID that, "This policy was requested

cancelled in writing directly to the carrier by Ms. [REDACTED] we assume since this agency never sent in a cancellation request.”

5. On or about December 30, 2005, USF&G Specialty Insurance Company responded to the complaint by [REDACTED] and advised KID that the policy was cancelled on August 13, 2005 by the Brown Insurance Agency computer user number.

6. On or about March 23, 2007, [REDACTED] filed a civil lawsuit in the United States District Court for the Western District of Missouri against Ron E. Brown, Respondent, Brown Insurance Agency, and other defendants alleging breach of insurance contract, tort of outrage, and civil conspiracy.

7. On or about June 6, 2006, [REDACTED] purchased insurance on properties located at [REDACTED] and [REDACTED], [REDACTED] from the Brown Insurance Agency.

8. On or about June 6, 2007, [REDACTED] purchased insurance on property located at [REDACTED], from the Brown Insurance Agency.

9. On or about August 2, 2007, [REDACTED] filed a complaint with KID after he became aware after a fire that he did not have insurance coverage and that one of the policy numbers actually belonged to property located in North Carolina. Respondent signed the Evidence of Property Insurance with the fraudulent numbers on behalf of Ronald E. Brown.

Applicable Law

10. K.S.A. 40-2,125(c) states, in relevant part:

If the Commissioner makes written finds of fact that there is a situation involving an immediate danger to the public health, safety or welfare or the public interest will be irreparably harmed by delay in issuing an order under subsection (a)(3), the commissioner may issue an emergency temporary cease and desist order.

11. K.S.A. 2006 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:

- (4) Improperly withheld, misappropriated or converted any moneys or properties received in the course of doing insurance business.
- (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.

Conclusions of Law

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

13. Based on the facts and circumstances set forth herein, it appears that Deatrice B. Brown incorrectly denied canceling an insurance policy without permission from the insured, that Deatrice B. Brown has been sued based on her business practices and that Deatrice B. Brown issued Evidence of Property Insurance with false policy numbers.

14. Based on the facts the actions of Respondent constitute a fraudulent or dishonest practice or demonstrate untrustworthiness in the conduct of business in this state or elsewhere.

15. The insurable interests of the public are not properly served under respondent's license.

16. The Commissioner finds that the acts of the respondent present an immediate danger to the public safety and welfare, and that the respondent's ongoing misconduct gives rise to a reasonable belief that such acts will be repeated and that immediate action is necessary for the protection of the public.

IT IS THEREFORE ORDERED, BY THE COMMISSIONER OF INSURANCE,

that:

1. Deatrice B. Brown shall **IMMEDIATELY CEASE AND DESIST** from the sale, solicitation or negotiation of insurance and/or receiving compensation deriving from the sale, solicitation, or negotiation of insurance conducted after the effective date of this order,

2. The Commissioner of Insurance retains jurisdiction over the subject matter of this proceeding and over the parties for the purpose of entering such further order or orders as may be deemed proper.

Notice of Right to Hearing or Appeal

You are entitled to a hearing pursuant to K.S.A. § 77-542, the Kansas Administrative Procedure Act. If you desire a hearing, you must file a written request for a hearing with:

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

This request must be filed within fifteen (15) days from the date of service of this Order. If you request 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 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 that you file 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. 9th Street
Topeka, Kansas 66612.

IT IS SO ORDERED THIS 21st DAY OF AUGUST 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

Approved and Submitted by:

/s/ Stacy R. Bond
Stacy R. Bond
Staff Attorney

Certificate of Service

The undersigned hereby certifies that a true and correct copy of the above and foregoing **Emergency Order** was served on this __21st__ day of August, 2007, by placing the same in the United States Mail, first class postage prepaid, addressed to the following:

Deatrice B. Brown
P. O. Box 3243
Kansas City, Kansas 66103-0243

_ /s/ Stacy R. Bond _____
Stacy R. Bond
Staff Attorney