

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

In the Matter of Kansas Nonresident)
Insurance Agent's License of)
RICHARD A. PETERS)

And

Docket No. 3682-CO

In the Matter of the Kansas Nonresident)
Insurance Agency's License of)
PRODUCERS INSURANCE AGENCY, INC)

CONSENT ORDER

The Kansas Insurance Department ("KID") by and through its attorneys, Zachary J.C. Anshutz and Stacy R. Bond and Richard A. Peters ("Respondent"), individually, and on behalf of Producers Insurance Agency, Inc. ("Producers"). wish to resolve the above-captioned matter before the Kansas Insurance Commissioner ("Commissioner") without formal adjudication by entering into this Consent Order.

Having been advised of his right to a hearing prior to the entry of a Final Order, Respondent stipulates that the evidence of matters listed below under the heading of Findings of Fact would be admissible if offered at a hearing, and it is upon this evidence that the Commissioner bases the Findings of Fact, Conclusions of Law, and enters the Order. Respondent agrees to this Order and voluntarily waives hearing and review.

Pursuant to the authority granted by K.S.A. 40-103 et seq. and K.S.A. 77-501 et seq., the Commissioner hereby accepts the voluntary surrender of Respondent's Property and Casualty line of business in the State of Kansas.

In the Matter of Kansas Nonresident
Insurance Agent's License of
RICHARD A. PETERS and the Kansas
Nonresident Insurance Agency License of
PRODUCERS INSURANCE AGENCY, INC.

Findings of Fact

The parties stipulate that if a hearing were conducted in this matter, the following evidence could be adduced by the Commissioner, and although neither admitted nor denied would be recognized as admissible to show the following:

1. Records maintained by the Kansas Insurance Department (“KID”) indicate Respondent was licensed as a Kansas nonresident insurance agent with Life and Health authority since 5/16/75. Respondent was licensed with Property and Casualty authority on 8/20/01. KID Records further indicate a legal and mailing address of P.O. Box 83589, Lincoln, NE 68501-3589.
2. Records maintained by KID indicate Producers is licensed as a Kansas nonresident insurance agency licensed to transact the business of insurance in the State of Kansas, and has been so licensed since 5/01/89. KID records further indicate a legal address of 122 South 29th Street, Lincoln, NE 68510-1403 and a mailing address of P.O. Box 83589, Lincoln, NE 68501-3589. Respondent is listed as the Contact Individual for Producers.
3. The National Association of Insurance Commissioners (“NAIC”) Regulatory Information Retrieval System (“RIRS”) database reflects the following information:
 - a. By Order dated and effective May 21, 2007, Respondent’s Nebraska Insurance Producer’s Property and Casualty authority was revoked due to a demonstrated lack of fitness or trustworthiness for misappropriation of premium and failure to comply with a previous Order.

- b. By Order dated and effective May 21, 2007, Producers Nebraska insurance agency's Property and Casualty authority was revoked due to a demonstrated lack of fitness or trustworthiness for misappropriation of premium and failure to comply with a previous Order.

Applicable Law

K.S.A. 2006 Supp. 40-4909(a) provides, in relevant 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 and regulation promulgated thereunder; or
- (9) Had an insurance agent license, or its equivalent denied, suspended or revoked in any other state, district or territory.
- (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.

K.S.A. 2006 Supp. 40-4906 and K.S.A. 2006 Supp. 40-4908 provide for issuance of a nonresident insurance agent's license in reliance upon the agent's valid license in the agent's home state.

Conclusions of Law

1. The Commissioner has jurisdiction over Respondent and Producers as well as the subject matter of this proceeding, and such proceeding is held in the public interest.
2. The Commissioner will allow Respondent and Producers to voluntarily surrender the Property and Casualty Qualified Lines of Authority for the State of Kansas.

3. The Respondent, individually, and on behalf of Producers, agrees to surrender the Property and Casualty Qualified Lines of business forthwith.

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT the Property and Casualty Qualified Lines of Authority for Respondent, Richard A. Peters, and Producers Insurance Agency, Inc. are hereby **VOLUNTARILY SURRENDERED** and accepted by the Commissioner.

IT IS FURTHER ORDERED that RICHARD A. PETERS shall be liable for a total amount of ONE THOUSAND DOLLARS AND 00/100 (\$1,000.00) representing expenses incurred by KID in conjunction with this matter.

Notice of Rights

RICHARD A. PETERS (“Peters”) and/or PRODUCERS INSURANCE AGENCY, INC. (“Producers”) are entitled to a hearing pursuant to K.S.A. 77-537, the Kansas Administrative Procedure Act. If Peters and/or Producers desire a hearing, he/it 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 Peters and/or Producers request a hearing, the Kansas Insurance Department will notify him/it of the time and place of the hearing and information on 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 Peters and/or Producers 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 22nd DAY OF OCTOBER, 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

Prepared By:

_____/s/ Zachary J.C. Anshutz _____
Zachary J.C. Anshutz
Staff Attorney

Agreed to and Approved By:

_____/s/ Richard A. Peters _____
Richard A. Peters, Individually
and on behalf of Producers Insurance
Agency

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RICHARD A. PETERS and the Kansas
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Certificate of Service

The undersigned hereby certifies that a true and correct copy of the above and foregoing Summary Order and Notice of Rights was served by placing the same in the United States Mail, first class postage prepaid, on this 22nd day of October, 2007, addressed to the following:

Richard A. Peters
P.O. Box 83589
Lincoln, NE 68501-3589

and

Producers Insurance Agency, Inc.
c/o Richard A. Peters
P.O. Box 83589
Lincoln, NE 68501-

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