

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

In the Matter of the Kansas )  
Nonresident Insurance Agent's License of ) Docket No. 3890-SO  
JERRY A. FRALEY )  
NPN #3278178 )

**SUMMARY ORDER**

(Pursuant to K.S.A. 2007 Supp. 40-4909 and K.S.A. 77-501 *et. seq.*)

Pursuant to the authority granted to the Commissioner of Insurance ("Commissioner") by K.S.A. 40-4909, the Commissioner hereby revokes the nonresident agent's license of Respondent, Jerry A. Fraley ("Mr. Fraley"). This Summary Order shall become effective as a Final Order, without further notice, upon the expiration of the fifteen (15) day period if no request for hearing is made, pursuant to K.S.A. 77-542.

**Findings of Fact**

The Commissioner finds the following facts:

1. Records maintained by the Kansas Insurance Department ("KID") indicate you are licensed as a nonresident agent to transact the business of insurance in the State of Kansas, and have been so licensed since June 24, 2003.
2. KID records further indicate a legal address and mailing address of 14415 S. 50<sup>th</sup> St. #150, Phoenix, AZ 85044.
3. The National Association of Insurance Commissioners ("NAIC") Regulatory Information Retrieval System ("RIRS") database reflects the following actions: you were assessed a monetary penalty and your license was revoked by the State of Minnesota, effective September 27, 2007, for misstatement on application/other state action/misappropriation of premium.
4. You failed to notify KID of the action taken by the State of Minnesota within 30 days.
5. That on June 11, 2008, a letter was sent to Respondent from the Legal Division of KID requesting that Respondent provide any further information he deemed necessary, Respondent has not replied to this request.

**Applicable Law**

In the Matter of the Kansas  
Resident Insurance Agent's License of  
Jerry A. Fraley

6. K.S.A. 2007 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;
    - (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.

**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 finds that Respondent's insurance agent's license in the state of Minnesota was revoked effective, September 27, 2007, a violation of K.S.A. 2007 Supp. 40-4909(a)(8).
9. The Commissioner finds, pursuant to K.S.A. 40-4909(b), that the insurable interests of the public are not properly served under Respondent's license.
10. Accordingly, the Commissioner concludes sufficient grounds exist for the revocation of the insurance agent's license of Jerry A. Fraley pursuant to K.S.A. 2007 Supp. 40-4909(a) and (b).

**IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT:**

1. The Kansas Resident Insurance Agent's License of JERRY A. FRALEY is hereby **REVOKED** effective the effective date of this Order.

2. **IT IS FURTHER ORDERED** that JERRY A. FRALEY 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 conducted after the effective date of this Order.

**NOTICE AND OPPORTUNITY FOR HEARING**

Jerry A. Fraley, within fifteen (15) days of service of this Summary Order, may file with the Kansas Insurance Department a written request for 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, Kansas 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 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 (15) day period for requesting a hearing. The Final Order will constitute final agency action in the 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 Kansas Insurance Department is:

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

**IT IS SO ORDERED THIS 10th DAY OF JULY, 2008, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.**

In the Matter of the Kansas  
Resident Insurance Agent's License of  
Jerry A. Fraley



\_\_\_\_\_/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 she served the above and foregoing Summary Order on this 10th day of July, 2008, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Jerry A. Fraley  
14415 S. 50<sup>th</sup> St. #150  
Phoenix, AZ 85044

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

NOTICE OF RIGHTS

Pursuant to K.S.A. §77-601 et seq. Jerry A. Fraley is entitled to judicial review of this Final Order. The petition for judicial review must be filed within thirty (30) days of service of this Final Order (Plus three (3) days for service by mail pursuant to K.S.A. §77-531). In the event, Jerry A. Fraley 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. 9th Street  
Topeka, Kansas 66612

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that she served the above and foregoing Final Order on this 5th day of August, 2008, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Jerry A. Fraley  
14415 S. 50<sup>th</sup> St. #150  
Phoenix, AZ 85044

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