

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

In the Matter of the Kansas Nonresident )  
Insurance Agent's License of ) Docket No. **4352--SO**  
**ALEXI G. SARCHETT** )  
NPN 9122901 )

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

Pursuant to authority granted to the Commissioner of Insurance ("Commissioner") by K.S.A. 40-4909, the Commissioner hereby proposes to find facts and revoke the Kansas nonresident insurance agent's license of Alexi Sarchett ("Respondent") by way of Summary Order as provided by K.S.A. 77-537.

**Findings of Fact**

1. Records maintained by the Kansas Insurance Department ("KID") reflect that Respondent is licensed as a nonresident agent to transact the business of insurance in Kansas and has been so licensed since October 3, 2008.
2. KID records further indicate Respondent's legal address and mailing address is 847 E. Cache La Poudre Street, Colorado Springs, CO 80903.
3. Following investigation, the Commissioner has no reason to believe that protection of the public interest requires the Commissioner to give notice and opportunity to participate to anyone other than the respondent.
4. Following investigation, the Commissioner finds evidence sufficient to support the following findings of fact:
5. According to a complaint submitted to the Commissioner's Consumer Assistance Division (CAD) by [REDACTED], alleging Respondent cancelled their existing policies with Conseco without their authorization by affixing their electronic signatures to a written cancellation request.
6. In his response to CAD's inquiry, Respondent denied the allegation of forgery, stating that the "policies that are in question were electronically generated so no signatures were needed."

7. Respondent did not address the alleged lack of authorization for the cancellation request.
8. CAD received a complaint from T. D. alleging that Respondent misrepresented the relative benefits of the policy Respondent sold him and the policies that were replaced.
9. Respondent stated that he did not feel he did anything wrong but did not attempt to compare features of the replacement and existing policies or explain his opinion.
10. According to a suspected insurance fraud report submitted by Conseco, Respondent signed for but failed to respond to the company investigator's inquiry regarding an alleged forgery of an application for insurance covering G.S. and electronic funds transfer authorization.
11. By letter dated July 14, 2011, counsel for KID recited the foregoing facts and invited Respondent to reply if the facts were not correct.
12. To date, Respondent has not replied, and the letter was not returned. Thus the facts are deemed undisputed.

#### **Applicable Law**

13. K.S.A. 2010 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: . . .

(7) Admitted or been found to have committed any insurance unfair trade practice or fraud in violation of K.S.A. 40-2404 and amendments thereto.

(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. . . .

(10) Forged another person's name to an application for insurance or to any document related to an insurance transaction. . . .

(16) Made any misleading representation or incomplete comparison of policies to any person for the purposes of inducing or tending to induce such person to lapse, forfeit or surrender such person's insurance then in force." K.S.A. 2010 Supp. 40-4909(a)

14. In addition, the Commissioner may revoke any license issued under the Insurance Agents Licensing 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. 40-4909(b).

### **Conclusions of Law**

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

16. The Commissioner finds that Respondent's license may be revoked pursuant to K.S.A. 40-4909(a)(8) because Respondent has engaged in fraudulent, coercive, or dishonest practices.

17. The Commissioner finds, based on the facts contained in paragraphs 5, 6, and 10, that Respondent's license may be revoked pursuant to K.S.A. 40-4909(a)(10) because Respondent has forged another person's name to insurance applications and documents related to insurance transactions.

18. In addition, the Commissioner finds, based on the facts contained in paragraphs 8 and 9, that Respondent's license may be revoked pursuant to K.S.A. 40-4909(a)(16) because Respondent has used a misleading presentation or incomplete comparison to induce the surrender of a policy then in force and purchase of a replacement policy.

19. Based on the foregoing findings, the Commissioner concludes that sufficient grounds exist for the revocation of Respondent's insurance agent's license pursuant to K.S.A. 40-4909(a).

20. The Commissioner further concludes Respondent's license may be revoked pursuant to K.S.A. 40-4909(b) because such license is not properly serving the interests of the insurer and the insurable interests of the public.

21. 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, the protection of the public interest does not require the KID to give notice and opportunity to participate to persons other than Respondent, and after investigation, KID believes in good faith that the allegations will be supported to the applicable standard of proof.

**Policy to be Served**

22. Before issuing an insurance agent license, the Commissioner must determine that the applicant is qualified and has not committed any act that would be grounds for denial, suspension, or revocation. K.S.A. 40-4905(b). Further, the Commissioner may revoke any license issued under the Insurance Agents Licensing Act if the Commissioner finds that the interests of the insurer or the insurable interests of the public are not properly served under the license. The following action is appropriate to promote the security and integrity of the insurance business and protect insurance consumers by licensing, or continuing to license, persons or entities to sell, solicit, or negotiate insurance in the State of Kansas only if their conduct indicates they are both qualified and trustworthy.

**IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT** the Kansas nonresident insurance agent's license of **ALEXI G. SARCHETT** is hereby **REVOKED**. **It is further ordered**, that **ALEXI G. SARCHETT** shall **CEASE and DESIST** from the sale, solicitation, or negotiation of insurance, doing any act toward the sale, solicitation, or negotiation of insurance, and/or receiving compensation deriving from the sale, solicitation, or negotiation of insurance conducted on and after the effective date of this order.

**IT IS SO ORDERED THIS \_\_8th\_\_ DAY OF AUGUST 2011, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.**



\_\_\_\_\_/s/ Sandy Praeger\_\_\_\_\_  
Sandy Praeger  
Commissioner of Insurance

BY:

\_\_\_\_\_/s/ Zachary J.C. Anshutz\_\_\_\_\_  
Zachary J.C. Anshutz  
General Counsel

**NOTICE OF RIGHTS TO HEARING AND REVIEW**

**Within fifteen (15) days of the date of service of this Summary Order, Respondent** may submit a written request for a hearing pursuant to K.S.A. 77-537 and K.S.A. 77-542. Any request for a hearing should be addressed to the following:

Zachary J.C. Anshutz, General Counsel  
Kansas Insurance Department  
420 S.W. 9<sup>th</sup> Street  
Topeka, Kansas 66612

If a hearing is requested, the Kansas Insurance Department will serve notice 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.

**If a hearing is not requested in the time and manner stated above, this Summary Order shall become effective as a Final Order upon the expiration of time for requesting a hearing.** 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

Zachary J.C. Anshutz, General Counsel  
Kansas Insurance Department  
420 S.W. 9<sup>th</sup> Street  
Topeka, Kansas 66612

**Certificate of Service**

The undersigned hereby certifies that she served a true and correct copy of the above and foregoing **Summary Order** and accompanying **Notice of Rights** on this   8th   day of August 2011, by causing the same to be placed in the United States Mail, first class postage prepaid, addressed to the following:

Alexi G. Sarchett  
847 E. Cache La Poudre Street  
Colorado Springs, CO 80903

\_ /s/ Brenda J. Clary \_\_\_\_\_  
Brenda J. Clary  
Staff Attorney