

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

In the Matter of the Kansas Resident)
Insurance Agent's License of)
ROBERT M. TELTHORST,) Docket No. **4609--SO**
NPN 8208137)

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 resident insurance agent's license of Robert M. Telthorst ("Respondent") by way of Summary Order as provided by K.S.A. 77-537.

Findings of Fact

1. 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 Respondent.
2. Following investigation, the Commissioner finds evidence sufficient to support the following facts:
3. Respondent is licensed as a Kansas resident insurance agent and has been so licensed since August 18, 2004.
4. Respondent's legal address of record is in Auburn, Kansas, and his mailing address of record is 3630 SW Fairlawn Rd., Suite 201, Topeka, KS 66614-3967.
5. Based on public records and mail returned to KID from Respondent's mailing address of record, KID believes in good faith that Respondent may currently be served by mail addressed to El Reno FCI, PO Box 1500, El Reno, OK 73036.
6. On November 14, 2012, Respondent was convicted of wire fraud and money laundering, both felonies, in the United States District Court for the District of Kansas, and sentenced to federal prison.
7. By letter received by the Clerk of the Appellate Courts on December 11, 2012, Respondent surrendered his license to practice law in Kansas.

8. By Order of the Kansas Supreme Court dated December 19, 2012, Respondent was disbarred and his license to practice law in Kansas was revoked.

9. Respondent did not report either the convictions or the Order of Disbarment to KID within 30 days and has not reported them to date.

10. By letter dated September 24, 2013, addressed to Respondent at his mailing address of record and also mailed to the El Reno FCI address, counsel for KID invited Respondent to reply within 15 business days if he disputed the facts stated in paragraphs 6 through 9 above.

11. Mail addressed to Respondent's address of record was returned, but mail addressed to the El Reno FCI was not returned, and Respondent has not replied; thus, the facts are deemed undisputed.

Applicable Law

12. K.S.A. 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 . . .

(2) Violated: (A) Any provision of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, or any rule and regulation promulgated thereunder; . . .

(6) Been convicted of a misdemeanor or felony. . . .

(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." K.S.A. 2012 Supp. 40-4909(a).

13. 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. 2012 Supp. 40-4909(b).

14. K.A.R. §40-7-9 requires a licensee to report to the Commissioner, within 30 days, a criminal conviction, action against an occupational or professional license, or a change of address. K.A.R. §40-7-9(b), (d), and (g).

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)(2)(A) because Respondent has committed at least three violations of K.A.R. §40-7-9, a regulation promulgated under authority of chapter 40 of the Kansas Statutes Annotated, by failing to report his convictions, disbarment, and change of address.

17. The Commissioner finds that Respondent's license may be revoked pursuant to K.S.A. 40-4909(a)(6) because Respondent has been convicted of two felony offenses.

18. The Commissioner further finds from the nature of those felony convictions that Respondent's license may be revoked pursuant to K.S.A. 40-4909(a)(8) because the convictions establish that Respondent has used fraudulent, coercive, or dishonest practices.

19. The Commissioner thus finds that sufficient grounds exist for the revocation of Respondent's insurance agent license pursuant to K.S.A. 2012 Supp. 40-4909(a).

20. Further, the Commissioner finds that Respondent's license may be revoked pursuant to K.S.A. 40-4909(b) because it is not serving the interests of insurers or 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

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.

THE COMMISSIONER OF INSURANCE THEREFORE ORDERS that the Kansas resident insurance agent's license of **ROBERT M. TELTHORST** is hereby **REVOKED**, and **ROBERT M. TELTHORST** 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 in Kansas or on Kansas risks through business conducted on and after the effective date of this order.

It is further ordered, pursuant to KSA 77-415(b)(2)(A), that this order is designated by KID as precedent.

IT IS SO ORDERED THIS _16th_ DAY OF OCTOBER 2013, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



/s/ Sandy Praeger
Sandy Praeger
Commissioner of Insurance

BY:

/s/ John Wine
John Wine
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. 9th 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. 9th 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 16th day of October 2013 by causing the same to be placed in the United States Mail, first class postage prepaid, addressed to the following:

Robert M. Telthorst, #22710-031
El Reno FCI
PO Box 1500
El Reno, OK 73036

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