

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

In the Matter of the Kansas Nonresident)
Insurance Agent's License of)
GERMONE GADSDEN,) Docket No. **4714--SO**
NPN 7496787.)

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 GERMONE GADSDEN ("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 was licensed as a Kansas nonresident insurance agent on January 18, 2013, and has remained so licensed to date.
4. Respondent's legal and mailing address of record is 6230 Hackberry Creek Trail, Apt. 228, Charlotte, NC 28269
5. Based on certain regulatory information databases, KID has cause to believe the following actions have been taken against Respondent's insurance producer licenses in other states:
 - a. On or about October 22, 2013, Respondent's Virginia insurance producer's license was revoked for failure to disclose information on the license application;
 - b. On or about March 14, 2013, Respondent was denied a license in South Dakota for providing false information to the division, criminal history, lack of fitness and trustworthiness, failure to pay child support, and other states' actions.

- c. On or about March 31, 2014, Respondent was denied a license in Virginia for failure to disclose criminal history.
 - d. On or about June 26, 2014, Respondent's Vermont license was revoked for failure to comply with a previous order, failure to make a required disclosure on his application, and failure to report other states' actions.
 - e. On or about April 25, 2014, Respondent's Delaware license was revoked based on the actions by other states.
6. Respondent did not report these actions within 30 days as required by K.A.R. §40-7-9 and has not reported them to date.
7. On or about October 29, 2014, Respondent's Virginia license was revoked based on failure to respond and failure to report other states' actions
8. By letter dated November 12, 2014, counsel for KID summarized the foregoing facts and invited Respondent to reply by the close of business on November 24, 2014, if he disputed the statements of fact.
9. To date, Respondent has not replied and the letter has not been returned; thus the facts are deemed undisputed.

Applicable Law

10. 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;
 - (B) any subpoena or order of the commissioner;
 - (C) any insurance law or regulation of another state; or
 - (D) any subpoena or order issued by the regulatory official for insurance in another state. . . .
 - (9) Had an insurance agent license, or its equivalent, denied, suspended or revoked in any other state, district or territory.” K.S.A. 2013 Supp. 40-4909(a).
11. 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. 2013 Supp. 40-4909(b).

12. A person whose license has been revoked or suspended may not be employed directly or indirectly by an insurance company and “may not perform any act toward the solicitation of or transaction of” insurance business in Kansas. K.S.A. 2013 Supp. 40-4909(g).

13. “Any action taken under this section which affects any license or imposes any administrative penalty shall be taken only after notice and an opportunity for hearing conducted in accordance with the provisions of the Kansas administrative procedures act.” K.S.A. 2013 Supp. 40-4909(c).

14. “Each person licensed in this state as an insurance agent shall report the following to the commissioner of insurance within 30 days of occurrence: (a) Each disciplinary action on the agent's license or licenses by the insurance regulatory agency of any other state or territory of the United States; . . .” K.A.R. §40-7-9(a).

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, and should be, revoked pursuant to K.S.A. 40-4909(a)(2)(A) because Respondent repeatedly violated K.A.R. §40-7-9(a) by failing to report actions taken against his insurance producer licenses by the insurance regulatory authorities of other states.

17. In addition, the Commissioner finds that Respondent’s license may be revoked pursuant to K.S.A. 40-4909(a)(2)(C) because the actions establish Respondent’s violations of the insurance law and/or regulations of other states.

18. Further, the Commissioner concludes that Respondent’s license may be revoked pursuant to K.S.A. 40-4909(a)(9) because each denial, suspension, and revocation of a licensee’s license in another state constitutes an independent ground for revocation in Kansas.

19. Finally, the Commissioner concludes 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.

20. 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 nonresident insurance agent's license of **GERMONE GADSDEN** is hereby **REVOKED**, and **GERMONE GADSDEN** 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 25th DAY OF NOVEMBER 2014, 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:

John Wine, 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

John Wine, 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 ___25th___ day of November 2014 by causing the same to be placed in the United States Mail, first class postage prepaid, addressed to the following:

Germone Gadsden
6230 Hackberry Creek Trail, Apt. 228
Charlotte, NC 28269

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