

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

In the Matter of the Kansas Resident)	
Insurance Agent’s License of)	
CHRISTOPHER R. MEGEE,)	Docket No. 4676--SO
NPN 8478119,)	
And the Kansas Resident Agency License of)	Docket No. 4677--SO
AMERICA’S FINEST INSURANCE GROUP, LLC,)	
Lic. No. 462034106-000.)	

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 Christopher R. Megee (“Respondent”) and the Kansas resident insurance agency license of America’s finest Insurance Group, LLC (“Respondent Agency”), 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 resident insurance agent on June 28, 2005, and has remained continuously licensed to date.
4. Respondent’s legal and mailing address of record is 23900 147th Street, Leavenworth, KS 66048-6341.
5. Respondent Agency was licensed as a Kansas resident insurance agency on November 7, 2013.

6. Respondent Agency's legal address of record is 8153 State Avenue, Kansas City, Kansas, and its mailing address of record is PO Box 12130, Kansas City, Kansas 66112.

7. According to KID records, Respondent is the responsible producer and only affiliated agent of Respondent Agency.

8. Although Respondent is not appointed as an American Family agent, he is employed part-time in the office of a Kansas licensed insurance agent doing business as an American Family agent and sharing office space with Respondent Agency.

9. KID has received a series of reports from insurance companies reflecting that Respondent, as an insured on the policies, has submitted applications for travel insurance and travel insurance claims supported by forged letters, falsified documents, and false statements of material fact.

10. According to the reports and supporting documents, the companies received additional claims on behalf of other persons, real or fictitious, who were also named as covered persons on Respondent's claims and/or were supported by documents purporting to have been prepared by cleaning companies for which Respondent is the registered agent and apparent owner.

11. The total amount involved in the questionable claims was \$146,668.50.

12. The reports identify the following policies and claims:

- a) Travelguard, policy number [REDACTED] claim number [REDACTED] for \$15,600 (travel September 13-25, 2012).
- b) Travelguard, policy number [REDACTED], claim number [REDACTED], insured [REDACTED], for \$32,000 (travel September 13-25, 2012).
- c) [REDACTED], July 18, 2012, CSA Travel Protection claim for \$53,694.06
- d) [REDACTED], July 18, 2012, CSA Travel Protection claim for \$35,796.04.
- e) CSA Travel Protection policy number [REDACTED] (no reported claim).
- f) CSA Travel Protection policy number [REDACTED] (no reported claim).
- g) CSA Travel Protection policy number [REDACTED] (no reported claim).
- h) Jefferson Insurance Company claim number [REDACTED], \$7,200.00 claim on May 29, 2012.
- i) Jefferson Insurance Company claim number [REDACTED], \$2,378.40 claim on September 7, 2011.

13. Respondent agreed to meet with a KID investigator and scheduled an interview for the morning of June 25, 2014, but failed or refused to appear.

14. When contacted, Respondent rescheduled for the afternoon. He again failed to appear at the appointed time but called and stated he would not appear until his attorney, whose name he did not know, was available to attend with him.

15. Respondent has not rescheduled the interview, and KID has not been contacted by an attorney on Respondent's behalf.

16. By letter of June 27, 2014, addressed to Respondent at his mailing address of record, counsel for KID summarized the foregoing facts and invited Respondent or his attorney to reply by July 18, 2014, if Respondent disputed the facts.

17. To date, neither Respondent nor an attorney has replied, and the letter has not been returned; thus, the facts are deemed undisputed.

Applicable Law

18. 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;

. . .

(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. 2013 Supp. 40-4909(a).

19. A "fraudulent insurance act" is

“an act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.” K.S.A. 2013 Supp. 40-2,118(a).

20. 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).

21. An entity licensed as an insurance agency must identify “a licensed agent who shall be responsible for the business entity’s compliance with the insurance laws of this state and the rules and regulations promulgated thereunder.” K.S.A. 2013 Supp. 40-4905(c)(1).

22. “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).

23. “Whenever the commissioner imposes any administrative penalty or denies, suspends, revokes or refuses renewal of any license pursuant to subsection (a), any costs incurred as a result of conducting an administrative hearing authorized under the provisions of this section shall be assessed against the person who is the subject of the hearing or any business entity represented by such person who is the party to the matters giving rise to the hearing.” K.S.A. 2013 Supp. 40-4909(f).

Conclusions of Law

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

25. The Commissioner finds Respondent’s license may be revoked pursuant to K.S.A. 40-4909(a)(2)(A) because Respondent has violated K.S.A. 40-2,118(a) by knowingly and with intent to defraud submitting written statements containing materially false statements as part of or in support of a series of applications for insurance policies and claims for benefits under those policies.

26. The Commissioner finds Respondent’s license may be revoked pursuant to K.S.A. 40-4909(a)(8) because Respondent has used fraudulent or dishonest practices.

27. The Commissioner thus finds that sufficient grounds exist for the revocation of Respondent’s insurance agent license pursuant to K.S.A. 2013 Supp. 40-4909(a).

28. Finally, the Commissioner finds that Respondent’s license may be revoked pursuant to K.S.A. 40-4909(b) because Respondent’s license is not serving the interests of insurers or the insurable interests of the public.

29. If Respondent is not a licensed agent, Respondent Agency does not satisfy the requirements to hold a business entity license, so Respondent's Agency's license must be cancelled.

30. 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.

ORDER

THE COMMISSIONER OF INSURANCE THEREFORE ORDERS the following:

1. The Kansas resident insurance agent's license of **CHRISTOPHER R. MEGEE** is hereby **REVOKED**;
2. **CHRISTOPHER R. MEGEE** 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; and

3. The Kansas resident insurance agency license of **AMERICA'S FINEST INSURANCE GROUP, LLC**, shall be **cancelled** administratively on 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 22nd DAY OF JULY 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 22nd day of July 2014 by causing the same to be placed in the United States Mail, first class postage prepaid, addressed to the following:

Christopher R. Megee
23900 147th Street
Leavenworth, KS 66048-6341

And

America's Finest Insurance Group, LLC
PO Box 12130
Kansas City, Kansas 66112

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