

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

In the Matter of the Kansas)	
Insurance Agent's License of)	Docket No. 5003-SO
TODD J. FENDLER)	
NPN: # 5331387)	

SUMMARY ORDER

(Pursuant to K.S.A. 40-4909, K.S.A. 77-501)

Pursuant to the authority granted to the Commissioner of Insurance ("Commissioner") by K.S.A. 40-4909, the Commissioner hereby revokes the agent's license of Respondent, **TODD J. FENDLER** ("Respondent"). 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. Respondent was licensed as a Kansas nonresident insurance agent on April 30, 2014, and remains licensed to date.
2. Respondent's legal (residential) and mailing address of record is 1231 National Ave., Rockford, IL 61103-7139.
3. Respondent is the president of Northern Underwriting Managers and Northern Illinois Insurance ("Northern").
4. The Consumer Assistance Division of the Kansas Insurance Department ("KID") received two separate complaints from consumers alleging Respondent collected premiums without authorization and without issuing policies.
5. Travis Holt, of Brush Creek Partners, is a broker for Lenexa Alden, a Kansas company. Mr. Holt alleges he made a payment to Respondent in the approximate amount of \$33,000 for coverage that neither he nor his agency was entitled to because the premium finance company paid Northern Underwriters directly for the full amount of the annual premium. Mr. Holt alleges no refunds were issued to Lenexa Alden by Respondent or Northern.
6. Mark Fitzgibbons, is in charge of Fine Enterprises, LLC. Mr. Fitzgibbons alleges he made a payment to Respondent/Northern in the amount of \$83,403.56 that was not paid to the insurance company, and no policy was delivered. Mr. Fitzgibbons alleges no refunds were issued to Fine Enterprises, LLC by Respondent or Northern.
7. KID staff in the Consumer Assistance Division tried to contact Respondent about the aforementioned cases and did not receive a response.
8. Effective September 23, 2016, the Missouri Department of Insurance denied Respondent's license for, among other things, failing to remit premium and demonstrating lack of fitness or trustworthiness. (State RIRS Identifier No. 243227_230166)

9. Effective November 22, 2016, the South Carolina Department of Insurance revoked Respondent's license for demonstrating lack of fitness or trustworthiness. (State RIRS Identifier No. 16-5232)
10. Effective November 30, 2016, Respondent's license status for license number 5331387 was expired in your home state of Illinois.
11. There is no evidence of Respondent reporting these actions to KID.
12. KID sent a letter to Respondent on March 2, 2017, and has not received a response to date.

Applicable Law

- Pursuant to K.S.A. 40-4909(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 and regulation promulgated thereunder;
 - (C) any insurance law or regulation of another state; or...
 - (4) Improperly withheld, misappropriated or converted any moneys or properties received in the course of doing insurance business...
 - (8) Use of any fraudulent, coercive, or dishonest practice, or demonstrating any incompetence, untrustworthiness or financial irresponsibility in the conduct of business... [and/or]
 - (9) Had an insurance agent license, or its equivalent, denied, suspended or revoked in any other state, district or territory." K.S.A. 40-4909(a)
- Pursuant to K.S.A. 40-4906(a), "Unless denied licensure pursuant to K.S.A. 2016 Supp. 40-4909, and amendments thereto, a nonresident person shall receive a nonresident agent license if:
 - (1) Such person is currently licensed as a resident and in good standing in such person's home state;" K.S.A. 40-4906(a)
- Pursuant to K.A.R. 40-7-9, "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

Policy Reasons

1. It is in the public interest that the license of an agent who has demonstrated he or she has violated any insurance law or regulation of another state be suspended or revoked.
2. It is in the public interest that the license of an agent who has improperly withheld, misappropriated or converted any moneys or properties received in the course of doing insurance business be revoked.
3. It is in the public interest that the license of an agent who has demonstrated he or she has used any fraudulent or dishonest practice or demonstrated any untrustworthiness in the conduct of business in this state or elsewhere be revoked.

4. It is in the public interest that the license of an agent who has an insurance agent license, or its equivalent, denied, suspended or revoked in any other state, district or territory be suspended or revoked in this state.

Conclusions of Law

1. The Commissioner has jurisdiction over **TODD J. FENDLER** as well as the subject matter of this proceeding, and such proceeding is held in the public interest.
2. The Commissioner finds that Respondent's Kansas license may be revoked because **TODD J. FENDLER** has violated an insurance law or regulation of another state.
3. The Commissioner finds that Respondent's Kansas license may be revoked because **TODD J. FENDLER** has improperly withheld, misappropriated or converted moneys or properties received in the course of doing insurance business.
4. The Commissioner finds that Respondent's Kansas license may be revoked because **TODD J. FENDLER** has used a fraudulent and dishonest act and has demonstrated untrustworthiness in the conduct of business in this state.
5. The Commissioner finds that Respondent's Kansas license may be revoked because **TODD J. FENDLER** had an insurance agent license, or its equivalent, denied in Missouri and revoked in South Carolina.
6. The Commissioner finds that Respondent's Kansas license may be revoked because **TODD J. FENDLER** failed to notify the Kansas Insurance Department of his disciplinary actions in other states within thirty days.
7. The Commissioner finds that Respondent's Kansas license may be revoked because **TODD J. FENDLER** allowed his license to expire in his home state of Illinois.
8. The Commissioner finds, pursuant to K.S.A. 40-4909(b), that the interests of the public are not properly served under Respondent's license.
9. Accordingly, the Commissioner concludes that sufficient grounds exist for the revocation of the insurance agent's license of **TODD J. FENDLER**, pursuant to K.S.A. 40-4909(a) and (b).

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT:

1. The Kansas nonresident Insurance Agent's License of **TODD J. FENDLER** is hereby **REVOKED** the effective date of this Order.
2. **IT IS FURTHER ORDERED** that **TODD J. FENDLER** 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

TODD J. FENDLER, 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:

Diane Minear, General Counsel
Kansas Insurance Department
420 S.W. 9th 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 Respondent 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:

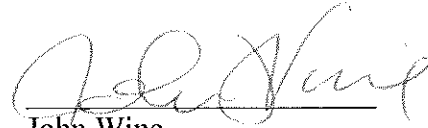
Diane Minear, General Counsel
Kansas Insurance Department
420 S.W. 9th St.
Topeka, Kansas 66612

IT IS SO ORDERED THIS 29 DAY OF March, 2017, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



Ken Selzer, CPA
Commissioner of Insurance


BY:


John Wine
Assistant Commissioner

CERTIFICATE OF SERVICE

The undersigned hereby certifies that he served the above and foregoing Summary Order on this 29 day of March, 2017, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Todd J. Fendler
1231 National Ave.
Rockford, IL 61103-7139



Steven M. Lehwald, KS Bar #26069
Staff Attorney