

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

In the Matter of the Kansas Nonresident     )  
Insurance Agent’s License of                     )                     Docket No. 75519  
**FRANCIS J. GENDLEK**                             )  
NPN: # 326518                                     )

**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, **FRANCIS J. GENDLEK** (“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 December 3, 2015, and remain licensed to date.
2. Respondent’s legal (residential) address of record is 2 Fernwood Ct, East Brunswick, NJ 08816.
3. On February 1, 2018, Respondent was indefinitely barred in all financial registration capacities by an Acceptance, Waiver & Consent order with FINRA. The order found Respondent violated 10(b) of the Securities Exchange Act and Rule 10b-5 thereunder, and violated NASD Rule 2120 and FINRA Rule 2020 by making material misrepresentations and omissions in connection with the sale of securities.
4. As a result of that order, Respondent’s license with the New Jersey Bureau of Securities was revoked on June 26, 2018.
5. Additionally, it appears Respondent’s resident producer license in his home state of New Jersey expired on April 30, 2018.
6. Respondent did not notify KID of any of the aforementioned actions.

**Applicable Law**

- Pursuant to K.S.A. 40-4906, “Unless denied licensure pursuant to K.S.A. 2018 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
- 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;
- (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. ...[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.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:
  - (b) each disciplinary action on an occupational license held by the licensee, other than an insurance agent's license, by the appropriate regulatory authority of this or any other jurisdiction;” K.A.R. 40-7-9

### Policy Reasons

1. It is in the public interest that the license of an agent who used fraudulent, coercive, or dishonest practice, or demonstrated any incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere be revoked.
2. It is in the public interest that the license of a nonresident agent with an expired home state license be revoked.

### Conclusions of Law

1. The Commissioner has jurisdiction over **FRANCIS J. GENDLEK** 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 **FRANCIS J. GENDLEK** 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.
3. The Commissioner finds that Respondent’s Kansas license may be revoked because **FRANCIS J. GENDLEK** failed to notify the Commissioner of the disciplinary actions on his FINRA registration and New Jersey securities license.
4. The Commissioner finds that Respondent’s Kansas license may be revoked because **FRANCIS J. GENDLEK** has an expired producer license in his home state.
5. 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.
6. Accordingly, the Commissioner concludes that sufficient grounds exist for the revocation of the insurance agent’s license of **FRANCIS J. GENDLEK**, 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 **FRANCIS J. GENDLEK** is hereby **REVOKED** the effective date of this Order.
2. **IT IS FURTHER ORDERED** that **FRANCIS J. GENDLEK** 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.

**IT IS SO ORDERED THIS 25 DAY OF October, 2018, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.**



Ken Selzer, CPA  
Commissioner of Insurance

BY:

*Diane Minear*  
Diane Minear  
General Counsel

**NOTICE AND OPPORTUNITY FOR HEARING**

**FRANCIS J. GENDLEK**, 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. 9<sup>th</sup> 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.

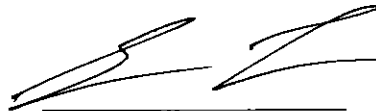
In the event the Respondent files a petition for judicial review, the agency officer designated pursuant to K.S.A. 77-613(e) to receive service of a petition for judicial review on behalf of the Kansas Insurance Department is:

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

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that he served the above and foregoing Summary Order on this 25 day of October, 2018, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Francis J. Gendlek  
2 Fernwood Ct  
East Brunswick, NJ 08816



Steven Lehwald  
Staff Attorney