

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

In the Matter of the Kansas Resident)
Insurance Agent's License of)
EDWARD E. NEWMAN)
NPN: # 6098847)

Docket No. 72477

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, **EDWARD E. NEWMAN** ("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 resident bail bond insurance agent on April 27, 2006, and remains licensed to date.
2. Respondent's legal (residential) address of record is 520 W. Albert, Valley Center, KS 67147.
3. On October 31, 2017, the Kansas Insurance Department ("KID") received a complaint from Stephen Owens with Owens Bonding.
4. Mr. Owens advised he was Respondent's managing agent with International Fidelity Insurance Company ("IFIC"). Mr. Owens advised Respondent resigned his appointment with IFIC on March 27, 2017.
5. Mr. Owens advised that several issues surfaced around the time of Respondent's resignation.
6. Mr. Owens alleged that over a period of several years Respondent:
 - a. Failed to pay premium on insurance contracts (bonds) in the amount of \$20,196.
 - b. Failed to report and pay in cash collateral taken in the amount of \$10,500.
7. KID sent a letter to Respondent on April 9, 2018 detailing the allegations and asking for a response.
8. Respondent did not respond to the letter.

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:
 - (4) Improperly withheld, misappropriated or converted any moneys or properties received in the course of doing insurance business.

- (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. 40-4909(a)

Policy Reasons

1. 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.
2. It is in the public interest that the license of an agent who has used fraudulent conduct or demonstrated any incompetence, untrustworthiness or financial irresponsibility in the conduct of business be revoked.

Conclusions of Law

1. The Commissioner has jurisdiction over **EDWARD E. NEWMAN** 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 **EDWARD E. NEWMAN** improperly withheld, misappropriated or converted any moneys or properties received in the course of doing insurance business.
3. The Commissioner finds that Respondent’s Kansas license may be revoked because **EDWARD E. NEWMAN** used fraudulent conduct or demonstrated any incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state.
4. 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.
5. Accordingly, the Commissioner concludes that sufficient grounds exist for the revocation of the insurance agent’s license of **EDWARD E. NEWMAN**, pursuant to K.S.A. 40-4909(a) and (b).

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT:

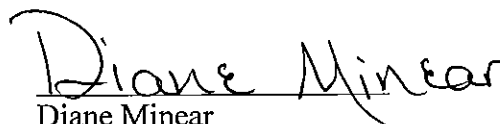
1. The Kansas nonresident Insurance Agent’s License of **EDWARD E. NEWMAN** is hereby **REVOKED** the effective date of this Order.
2. **IT IS FURTHER ORDERED** that **EDWARD E. NEWMAN** shall **CEASE** and **DESIST** from the sale, solicitation or negotiation of insurance and/or receiving compensation deriving from the sale, solicitation or negotiation of insurance conducted after the effective date of this Order.

IT IS SO ORDERED THIS 1 DAY OF May, 2018, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



Ken Selzer, CPA
Commissioner of Insurance

BY:


Diane Minear
General Counsel

NOTICE AND OPPORTUNITY FOR HEARING

EDWARD E. NEWMAN, 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

CERTIFICATE OF SERVICE

The undersigned hereby certifies that he served the above and foregoing Summary Order on this 1 day of May, 2018, by causing the same to be deposited in the United States Mail, first class postage prepaid, addressed to the following:

Edward E. Newman
520 W. Albert
Valley Center, Kansas 67147

A handwritten signature in black ink, appearing to read 'S. Lehwald', written over a horizontal line.

Steven Lehwald
Staff Attorney