

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

In the Matter of the Kansas)	
Nonresident Insurance Producer's)	
License of DANIEL STEPHEN MADASZ SR.)	Docket No. 87619
NPN # 1282778)	

SUMMARY ORDER OF REVOCATION

(Pursuant to K.S.A. 40-4909, K.A.R. 40-7-9, and K.S.A. 77-501 *et seq.*)

Pursuant to the authority granted to the Commissioner of Insurance ("Commissioner") by K.S.A. 40-4909, K.A.R. 40-7-9, and K.S.A. 77-501 *et seq.*, the Commissioner hereby revokes the Kansas nonresident insurance producer's license of **DANIEL STEPHEN MADASZ SR.** ("Respondent"). This Summary Order of Revocation shall become effective as a Final Order, without further notice, upon the expiration of the fifteen (15) day period if no request for a hearing is made, pursuant to K.S.A. 77-542.

Findings of Fact

1. Respondent was licensed as a Kansas nonresident insurance producer on April 30, 2010 and remains licensed to date.
2. Respondent's address of record is [REDACTED] Raymore, MO [REDACTED].
3. The Kansas Insurance Department ("Department") received information that Respondent was convicted of Felony Securities Fraud \$25,000><\$100,000 (2 counts) and Felony Unregistered Investment Adviser Representative in Johnson County District Court on December 2, 2020 (Case No. 2019CR02440).
4. On March 24, 2021, the Department sent a letter to Respondent's mailing address inquiring about the matter.

5. On April 12, 2021, Respondent responded to the Department's request for a written explanation and provided the Department with the requested documentation regarding the felony securities fraud convictions. Respondent indicated he was not aware of the requirement to notify the Department of the conviction and acknowledged that he did not respond with the 15-day request.

Applicable Law

K.S.A. 40-4909(a)(2)(A) provides:

The Commissioner may deny, suspend, revoke or refuse renewal of an insurance producer's license upon finding that Respondent has violated any provision of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, or any rule and regulation promulgated thereunder.

K.S.A. 40-4909(a)(6) provides:

The Commissioner may deny, suspend, revoke or refuse renewal of an insurance producer's license upon finding that Respondent has been convicted of a misdemeanor or felony.

K.S.A. 40-4909(a)(8) provides:

The Commissioner may deny, suspend, revoke or refuse renewal of an insurance producer's license upon finding that Respondent has 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(b) provides:

The Commissioner may suspend, revoke or refuse renewal of an insurance producer's license upon finding that the interests of the insurer or the insurable interests of the public are not properly served under Respondent's license.

K.A.R. 40-7-9(d) provides:

Each person licensed in this state as an insurance agent shall report to the Commissioner, within 30 days of the occurrence, all details of any conviction of a misdemeanor or felony. The details shall include the name of the arresting agency, the location and date of the arrest, the nature of the charge or charges, the court in which the case was tried, and the disposition rendered by the court.

Policy Reasons

1. It is in the public interest that the license of a producer who has been convicted of three counts of felony securities fraud be revoked.
2. It is in the public interest that the license of a producer who has demonstrated any incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state be revoked.
3. It is in the public interest that the license of a producer who failed to notify the Department of felony convictions be revoked.

Conclusions of Law

1. The Commissioner has jurisdiction over **DANIEL STEPHEN MADASZ SR.** as well as the subject matter of this proceeding, and such proceeding is held in the public interest.
2. Pursuant to K.S.A. 40-4909(a)(2)(A), the Commissioner finds that Respondent's Kansas nonresident insurance producer's license may be revoked because **DANIEL STEPHEN MADASZ SR.** has violated provisions of chapter 40 of the Kansas Statutes Annotated. The Commissioner finds that **DANIEL STEPHEN MADASZ SR.** failed to notify the Department within the required thirty (30) day period after being convicted of felony securities fraud. See K.A.R. 40-7-9(d).
3. Pursuant to K.S.A. 40-4909(a)(6), the Commissioner finds that Respondent's Kansas nonresident insurance producer's license may be revoked because **DANIEL STEPHEN MADASZ SR.** has been convicted of three counts of felony securities fraud.
4. Pursuant to K.S.A. 40-4909(a)(8), the Commissioner finds that Respondent's Kansas nonresident insurance producer's license may be revoked because **DANIEL STEPHEN MADASZ SR.** used fraudulent, coercive, or dishonest practice, or demonstrated any

incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere.

5. Pursuant to K.S.A. 40-4909(b), the Commissioner finds that the insurable interests of the public are not properly served under the Kansas nonresident insurance producer's license of **DANIEL STEPHEN MADASZ SR.**

6. Pursuant to K.S.A. 40-4909(a) and (b), the Commissioner concludes that sufficient grounds exist for revocation of the Kansas nonresident insurance producer's license of **DANIEL STEPHEN MADASZ SR.**

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT:

1. The Kansas nonresident insurance producer's license of **DANIEL STEPHEN MADASZ SR.** is hereby **REVOKED** the effective date of this Order.

2. **IT IS FURTHER ORDERED** that **DANIEL STEPHEN MADASZ SR.** 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 21st DAY OF APRIL 2021, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



Vicki Schmidt
Commissioner of Insurance

BY:


Justin L. McFarland
General Counsel

NOTICE AND OPPORTUNITY FOR HEARING

DANIEL STEPHEN MADASZ SR., within fifteen (15) days of service of this Summary Order, you 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:

Jill Spurling
Kansas Insurance Department
1300 SW Arrowhead Rd.
Topeka, Kansas 66604

Any costs incurred as a result of conducting any administrative hearing shall be assessed against the producer/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 on 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:

Justin L. McFarland, General Counsel
Kansas Insurance Department
1300 SW Arrowhead Rd.
Topeka, Kansas 66604

Pursuant to K.S.A. 77-607 and 77-612, exhaustion of administrative remedies is a jurisdictional prerequisite to seeking judicial review.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that she served the above-and-foregoing Summary Order of Revocation on this 2nd day of April 2021, by causing the same to be deposited in the United States Mail, certified, addressed to the following:


Daniel Stephen Madasz Sr.

[REDACTED]

Raymore, MO [REDACTED]

And

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]



Toni Garrard
Senior Administrative Assistant