

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

**In the Matter of the Kansas Nonresident)
Insurance Producer's License of)
JORGE MANUEL ORDONEZ)
NPN # 19087777)**

Docket No. 82846

SUMMARY ORDER OF REVOCATION

(Pursuant to K.S.A. 40-4909 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 and K.S.A. 77-501 *et seq.*, the Commissioner hereby **REVOKES** the Kansas nonresident insurance producer's license of **JORGE MANUEL ORDONEZ** ("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.

Findings of Fact

1. Respondent was licensed as a Kansas nonresident insurance producer on July 9, 2019 and remains licensed to date.
2. Respondent's address of record is [REDACTED], Port Richey, FL [REDACTED]
3. On January 24, 2020, Respondent was terminated for cause from Freedom Life Insurance Company ("FLIC"). The termination for cause notice sent by FLIC to the Kansas Insurance Department ("Department") stated during an audit of Respondent's business, FLIC discovered fraudulent activity where respondent included information for fictitious clients to receive commission.
4. Respondent submitted several applications with fictitious information such as fake numbers using a text app, false addresses listed for various states, and fake bank account information. While the Department was investigating Respondent's fraud, Respondent displayed

a lack of candor with the Department with an absence of professional conduct to staff at the Department.

5. Respondent utilized the texting app "TextNow" to create phone numbers for the false applications. Respondent, acting as the insurance agent, would schedule the identity verification calls to the false phone number on the app and impersonate the client to verify their identity. FLIC reviewed the voice recordings from Respondent's fake clients and concluded the voices sound similar. FLIC concluded that the voices on the call were Respondent.

6. Respondent submitted the applications with false addresses. FLIC discovered that the addresses were fictitious when policyholder mail was undelivered to the addresses listed on the applications. FLIC reported that the fictitious addresses were in the following states: Florida, Texas, North Carolina, Michigan, and Georgia.

7. Respondent created fake bank accounts and identifying information for the fake clients. FLIC reported that Respondent used the same bank accounts for several different fictitious clients. FLIC reports that several of these bank accounts for fictitious clients are linked to Respondent's use of the accounts.

8. On December 23, 2019, FLIC contacted Respondent by phone to share FLIC's audit findings. Respondent claimed that he completed only one verification call for his clients and named on applicant, S.W. Respondent said he completed verification for clients when he had trouble reaching them. FLIC also asked Respondent why Respondent provided his personal banking account information on several applications. Respondent told FLIC that he instructed clients to use his banking information because clients were not willing to provide their own banking information.

9. On March 12, 2020, the Department sent an inquiry letter to Respondent requesting he provide a written explanation of the reason for the termination of his business relationship with FLIC.

10. Respondent displayed a lack of candor with the Department during the inquiry into FLIC's report. Respondent used unprofessional language to staff at the Department when staff asked Respondent to respond to the Department's inquiry. For example, after staff at the Department asked Respondent to reply with a current address because the Department's letter was returned as undelivered, Respondent wrote in an email on April 21, 2020: "No I no longer sell health insurance and am not sending any info," "Stop emailing me.," and "Revoke my license for all I care [REDACTED]."

11. On March 6, 2020, the Indiana Department of Insurance suspended Respondent's nonresident insurance producer license.

12. On April 21, 2020, the Utah Insurance Department revoked Respondent's nonresident insurance producer license.

13. On September 8, 2021, the Florida Office of Insurance Regulation revoked Respondent's nonresident insurance producer license.

14. Respondent has not reported the administrative actions taken by other states or responded to the Department's inquiry letter beyond the emails to staff indicating a lack of candor and professionalism.

Applicable Law

K.S.A. 40-4905(f)(1)(A) provides:

Each person or entity licensed in this state as an insurance agent shall report 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 within 30 calendar days of occurrence

K.S.A. 40-4906(a)(1) provides:

Unless denied licensure pursuant to K.S.A. 40-4909, and amendments thereto, a nonresident person shall receive a nonresident agent license if such person is currently licensed as a resident and in good standing in such person's home state.

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

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 violated any provision of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, or any rules and regulations promulgated thereunder.

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(a)(9) provides:

The Commissioner may deny, suspend, revoke or refuse renewal of an insurance producer's license upon finding that Respondent had an insurance agent license, or its equivalent, denied, suspended or revoked in any state, district or territory.

K.S.A. 40-4909(a)(10) provides:

The Commissioner may deny, suspend, revoke or refuse renewal of an insurance producer's license upon finding that Respondent has forged another person's name to an application for insurance or to any document related to an insurance transaction.

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.

Policy Reasons

1. It is in the public interest that the license of a producer who has submitted fictitious applications for insurance without an applicant's knowledge or consent be revoked.

2. It is in the public interest that the license of a producer who has intentionally provided inaccurate information on applications for insurance be revoked.

3. It is in the public interest that the license of a producer who has falsified information on applications for insurance to receive commissions be revoked.

4. It is in the public interest that the license of a producer who has demonstrated a lack of candor with the Department and failed to report other state administrative actions against their license be revoked.

Conclusions of Law

1. The Commissioner has jurisdiction over **JORGE MANUEL ORDONEZ** 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 license may be revoked because **JORGE MANUEL ORDONEZ** has violated K.S.A. 40-4905(f)(1) by failing to report to the Commissioner the administrative actions taken by other states.

3. Pursuant to K.S.A. 40-4909(a)(2)(A), the Commissioner finds that Respondent's Kansas nonresident insurance producer license may be revoked because **JORGE MANUEL ORDONEZ** has violated K.S.A. 40-4906(a) by failing to maintain a resident license in his home state that is in good standing.

4. Pursuant to K.S.A. 40-4909(a)(8), the Commissioner finds that Respondent's Kansas nonresident insurance producer license may be revoked because **JORGE MANUEL ORDONEZ** 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(a)(9), the Commissioner finds that Respondent's Kansas nonresident insurance producer license may be revoked because **JORGE MANUEL ORDONEZ** had an insurance producer license that has been suspended or revoked in another state.

6. Pursuant to K.S.A. 40-4909(a)(10), the Commissioner finds that Respondent's Kansas resident insurance producer license may be revoked because **JORGE MANUEL ORDONEZ** forged another person's name to an application for insurance or to any document related to an insurance transaction.

7. 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 resident insurance producer's license of **JORGE MANUEL ORDONEZ**.

8. Pursuant to K.S.A. 40-4909(a) and (b), the Commissioner concludes that sufficient grounds exist for revocation of the Kansas resident insurance producer's license of **JORGE MANUEL ORDONEZ**.

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT:

1. The Kansas nonresident insurance producer's license of **JORGE MANUEL ORDONEZ** is hereby **REVOKED** the effective date of this Order.


2. **IT IS FURTHER ORDERED** that **JORGE MANUEL ORDONEZ** 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 3rd DAY OF DECEMBER 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

JORGE MANUEL ORDONEZ, 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:

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 3rd day of December 2021, by causing the same to be deposited in the United States Mail, certified, addressed to the following:

Jorge Manuel Ordonez

[REDACTED]

Port Richey, FL [REDACTED]

Respondent

And via email to:

[REDACTED]



Sarah Cowan
Legal Assistant