BEFORE THE COMMISSIONER OF INSURANCE OF THE STATE OF KANSAS

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In the Matter of the Kansas Resident Insurance Producer's License of SHON MATHWICH NPN # 19255000

Docket No. 98102

SUMMARY ORDER REFUSAL TO RENEW AND 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** and **REFUSES RENEWAL OF** the Kansas resident insurance producer's license of **SHON MATHWICH** ("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 a hearing is made.

Findings of Fact

Respondent was licensed as a Kansas resident insurance producer on August 28,
2019, and his license expired November 30, 2022.

2. Respondent's address of record listed on his renewal application is

, KS, The business address of record listed for the Respondent is

Wichita, KS

3. On November 30, 2022, Respondent submitted a Kansas resident insurance producer license renewal application ("Application") to the Kansas Insurance Department ("Department").

4. Respondent answered "Yes" to Question 1a of the Background Questions on the Application which asks, "Have you been convicted of a misdemeanor, had a judgment withheld or

deferred, or are you currently charged with committing a misdemeanor, which has not been previously reported to this insurance department?"

5. Respondent answered "Yes" to Question 1b of the Background Questions on the Application which asks, "Have you been convicted of a felony, had a judgment withheld or deferred, or are you currently charged with committing a felony, which has not been previously reported to this insurance department?"

6. Upon the Department's review of the documentation submitted with the renewal application, it was determined that Respondent was charged with a felony which led to him entering into a diversion agreement on August 11, 2021. This charge remains pending while the Respondent is under this diversion agreement. There was also a misdemeanor charge of carrying a concealed explosive occurring on the same date.

7. Specifically, the Respondent was charged with Criminal Use of Explosive occurring on or about June 21, 2020. On or about August 11, 2021, the Respondent entered into a diversion agreement for this felony charge, in Ellis County, Case Number 2020-CR-220.

8. Respondent entered an Alford plea to the misdemeanor charge of carrying a concealed explosive in the same case number referenced above and received a deferred adjudication. According to court documents, it appears that the Respondent has been discharged from probation on this charge after paying all the assessed court fees.

9. A misdemeanor possession of marijuana charge was dismissed upon the resolution of the other two charges.

10. A probable cause affidavit was submitted to the Department as part of the documentation submitted to the Department in connection with these charges and the renewal application. The affidavit substantiates the charges filed in the Ellis County District Court,

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including various criminal charges involving the possession of drugs, drug paraphernalia and explosives.

11. In the diversion agreement, the Respondent admitted to the allegations in the second amended complaint by unlawfully, feloniously and knowingly possession a commercial explosive. Respondent stipulated to the information contained in the affidavit and the investigation reports. Also, the Respondent agreed that this charge remains in full force and should the Respondent fail to complete a term of the diversion, the diversion will be revoked and the Respondent will proceed to a bench trial on stipulated facts per the agreement. This diversion will end upon successful completion of all the terms on August 11, 2026.

12. The information provided in the documents provided to the Department and the nature of the conduct underlying the criminal charges indicate that the insurable interests of the public are no longer served by the Respondent's license.

Applicable Law

K.S.A. 40-4909(b) provides:

The Commissioner may deny, suspend, revoke or refuse renewal of any license issued under this act if the Commissioner finds that the interests of the insurer or the insurable interests of the public are not properly served under such license.

Policy Reasons

1. It is in the public interest that the license of a producer who has been placed into a diversion and deferred adjudication for charges, felony and misdemeanor, of these types and circumstances be revoked, as the conduct underlying these charges is of a nature that the insurable interest of the public is no longer served by this license.

2. It is in the public interest that the Commissioner refuse renewal of the license of a producer who has been placed into a diversion and deferred adjudication for charges, felony and

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misdemeanor, of these types and circumstances be revoked, as the conduct underlying these charges is of a nature that the insurable interest of the public is no longer served by this license.

Conclusions of Law

1. The Commissioner has jurisdiction over **SHON MATHWICH** 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(b), the Commissioner finds that the insurable interests of the public are no longer properly served under the Kansas resident insurance producer's license of **SHON MATHWICH**.

3. Pursuant to K.S.A. 40-4909(b), the Commissioner concludes that sufficient grounds exist for revocation of the Kansas resident insurance producer's license of SHON MATHWICH.

4. Pursuant to K.S.A. 40-4909(b), the Commissioner concludes that sufficient grounds exist for refusing to renew the renewal application for the Kansas resident insurance producer's license of **SHON MATHWICH**.

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT:

1. The Kansas resident insurance producer's license of **SHON MATHWICH** is hereby **REFUSED RENEWAL** the effective date of this Order.

2. The Kansas resident insurance producer's license of **SHON MATHWICH** is hereby **REVOKED** the effective date of this Order.

3. IT IS FURTHER ORDERD that SHON MATHWICH shall CEASE and DESIST from the sale, solicitation or negotiation of insurance in Kansas and/or receiving

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compensation deriving from the sale, solicitation or negotiation of insurance in Kansas conducted after the effective date of this Order.

IT IS SO ORDERED THIS 2023, 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

SHON MATHWICH, within fifteen (15) days of service (plus 3 additional days for mailing) 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:

Mindy Forrer Kansas Insurance Department 1300 SW Arrowhead Rd. Topeka, Kansas 66604

Or via email to:

mindy.forrer@ks.gov

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 (plus 3 additional days for mailing) 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 with the District Court, 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 $2u^{\mu}$ day of April 2023, by causing the same to be deposited in the United States Mail, certified, addressed to the following:

Shon Mathwich

Hays, KS

And via email to:

Sarah Cowan Legal Assistant