State of Missouri

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS &
PROFESSIONAL REGISTRATION

IN RE:	)	
	)	**Case No. 140226256C**
Adam R. Mathis,	)	
	)	
Applicant.	)	

ORDER REFUSING TO ISSUE INSURANCE PRODUCER LICENSE

On June 2, 2014, the Consumer Affairs Division submitted a Petition to the Director alleging cause for refusing to issue Adam R. Mathis's insurance producer license. After reviewing the Petition, the Investigative Report, and the entirety of the file, the Director issues the following findings of fact, conclusions of law, and order.

FACTUAL BACKGROUND

1. Adam R. Mathis ("Mathis") is a Missouri resident with a residential, business, and mailing address of 5884 N. Farm Rd. 171, Springfield, Missouri 65803.

2. On or about September 23, 2013, the Department of Insurance, Financial Institutions and Professional Registration ("Department") received an electronic resident insurance producer license application ("Application") from Mathis.

3. In the section of the Application headed "Background Questions," Background Question # 1 asks, in relevant part, "Have you ever been convicted of a crime, had a judgment withheld or deferred, or are you currently charged with committing a crime?"

4. Mathis answered "Yes" to Background Question # 1, and disclosed the following conviction:

    a. On or about July 1, 2002, Mathis pleaded guilty to the Class B Misdemeanor of Driving While Intoxicated. The court sentenced Mathis to 180 days in the custody of Greene County Jail, suspended execution of the sentence, and placed Mathis on two years' probation. *State v. Adam R. Mathis*, Greene Co. Cir. Ct., Case No. 31302CM4247.

5. Mathis failed to disclose the following conviction on the Application:

a. On or about May 27, 2005, Mathis pleaded guilty to the Class A Misdemeanor of Possession of a Controlled Substance. The court suspended imposition of the sentence and placed Mathis on two years' probation. On or about September 5, 2006, the court revoked Mathis's probation, sentenced Mathis to 90 days in the custody of Greene County Jail, suspended execution of the sentence, and placed Mathis on two years' probation. *State v. Adam R. Mathis*, Greene Co. Cir. Ct., Case No. 31302CM7456.

6. In the section of the Application headed "Background Questions," Background Question # 4 asks, in relevant part, "Have you ever been notified by any jurisdiction to which you are applying of any delinquent tax obligation that is not the subject of a repayment agreement? If you answer yes, identify the jurisdiction(s)."

7. Mathis answered "No" to Background Question # 4.

8. Mathis failed to disclose the following delinquent tax obligation in Missouri on the Application:

   a. On May 21, 2012, the Greene County Circuit Court entered a judgment against Mathis for unpaid 2010 individual state income tax in the amount of $1,319.75. The judgment remains unsatisfied. *Department of Revenue v. Adam R. Mathis*, Greene Co. Cir. Ct., Case No. 1231-MC03067.

   b. Through February 28, 2014, according to the Missouri Department of Revenue, Mathis owed $1,386.95, with interest included, in unpaid 2010 individual state income tax. *Id.*

9. On November 18, 2013, Special Investigator Karen Crutchfield ("Crutchfield") of the Consumer Affairs Division sent an inquiry letter by first-class mail to Mathis's address of record requesting that Mathis provide information and documentation concerning his undisclosed criminal background and undisclosed delinquent tax obligation. The inquiry letter requested a response by December 9, 2013. The inquiry letter was not returned as undeliverable.

10. Mathis did not respond to the November 18, 2013 inquiry letter with the requested information and did not contact the Department in any way to demonstrate a reasonable justification for a delayed response.

11. On December 11, 2013, Crutchfield sent a second inquiry letter by first-class mail and certified mail to Mathis's address of record requesting that Mathis provide information and documentation concerning his undisclosed criminal background and undisclosed delinquent tax obligation. The inquiry letter requested a response by December 31, 2013. The first-class mail was not returned as undeliverable, and Mathis personally claimed the certified mail.

12. Mathis did not respond to the December 11, 2013 inquiry letter with the requested information and did not contact the Department in any way to demonstrate a reasonable justification for a delayed response.

CONCLUSIONS OF LAW

13. Section 375.141, RSMo (Supp. 2013),[1] provides, in part:

> 1. The director may suspend, revoke, refuse to issue or refuse to renew an insurance producer license for any one or more of the following causes:
>
> (1) Intentionally providing materially incorrect, misleading, incomplete or untrue information in the license application;
>
> (2) Violating any insurance laws, or violating any regulation, subpoena or order of the director or of another insurance commissioner in any other state;
>
> (3) Obtaining or attempting to obtain a license through material misrepresentation or fraud;
>
> * * *
>
> (14) Failing to comply with any administrative or court order directing payment of state or federal income tax.

14. Title 20 CSR 100-4.100 Required Response to Inquiries by the Consumer Affairs Division, provides, in part:

> * * *
>
> (2)(A) Upon receipt of any inquiry from the division, every person shall mail to the division an adequate response to the inquiry within twenty (20) days from the date the division mails the inquiry. An envelope's postmark shall determine the date of mailing. When the requested response is not produced by the person within twenty (20) days, this nonproduction shall be deemed a violation of this rule, unless the person can demonstrate that there is reasonable justification for that delay.

15. "There is a presumption that a letter duly mailed has been received by the addressee." *Clear v. Missouri Coordinating Bd. for Higher Educ.*, 23 S.W.3d 896, 900 (Mo. App. 2000) (internal citations omitted).

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[1] All statutory references are to the Revised Statutes of Missouri (Supp. 2013) unless otherwise noted.

16. The principal purpose of § 375.141 is not to punish licensees or applicants, but to protect the public. *Ballew v. Ainsworth*, 670 S.W.2d 94, 100 (Mo. App. E.D. 1984).

17. Mathis may be refused an insurance producer license pursuant to § 375.141.1(1) because he intentionally provided materially incorrect, misleading, incomplete or untrue information in the license application by failing to disclose on the Application his conviction for Possession of a Controlled Substance and delinquent tax obligation. *State v. Adam R. Mathis*, Greene Co. Cir. Ct., Case No. 31302CM7456; *Department of Revenue v. Adam R. Mathis*, Greene Co. Cir. Ct., Case No. 1231-MC03067.

18. Mathis's failures to disclose the conviction and delinquent tax obligation on the Application are two separate and sufficient grounds to refuse to issue Mathis an insurance producer license pursuant to § 375.141.1(1).

19. Mathis may be refused an insurance producer license pursuant to § 375.141.1(2) because he violated a Missouri insurance regulation, namely 20 CSR 100-4.100, when he failed to respond to two inquiries from the Consumer Affairs Division, letters dated November 18 and December 11, 2013, within twenty (20) days from the date of mailing.

20. Each failure to respond is a separate and sufficient ground to refuse to issue Mathis an insurance producer license pursuant to § 375.141.1(2).

21. Mathis may be refused an insurance producer license pursuant to § 375.141.1(3) because he attempted to obtain a license through material misrepresentation or fraud by failing to disclose on the Application his conviction for Possession of a Controlled Substance and delinquent tax obligation. *State v. Adam R. Mathis*, Greene Co. Cir. Ct., Case No. 31302CM7456; *Department of Revenue v. Adam R. Mathis*, Greene Co. Cir. Ct., Case No. 1231-MC03067.

22. Mathis's failures to disclose the conviction and delinquent tax obligation on the Application are two separate and sufficient grounds to refuse to issue Mathis an insurance producer license pursuant to § 375.141.1(3).

23. Mathis may be refused an insurance producer license pursuant to § 375.141.1(14) because he failed to comply with an administrative or court order directing payment of Missouri state income tax. *Department of Revenue v. Adam R. Mathis*, Greene Co. Cir. Ct., Case No. 1231-MC03067.

24. The Director has considered Mathis's history and all of the facts and circumstances surrounding the Application, and for the reasons stated in this Order exercises his discretion in refusing to issue Mathis an insurance producer license.

25. This Order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that the insurance producer license of **Adam R. Mathis** is hereby **REFUSED**.

SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS 5TH **DAY OF JUNE, 2014.**

JOHN M. HUFF
DIRECTOR

NOTICE

TO: Applicant and any unnamed persons aggrieved by this Order:

You may request a hearing in this matter. You may do so by filing a complaint with the Administrative Hearing Commission, P.O. Box 1557, Jefferson City, Missouri within 30 days after the mailing of this notice pursuant to § 621.120 RSMo. Under 1 CSR 15-3.290, unless you send your complaint by registered or certified mail, it will not be considered filed until the Administrative Hearing Commission receives it.

CERTIFICATE OF SERVICE

I hereby certify that on this 12th day of June, 2014, a copy of the foregoing Order and Notice was served upon the Applicant in this matter by UPS with signature required at the following address:

Adam R. Mathis
5884 N. Farm Rd. 171
Springfield, MO 65803

Tracking No. 1Z0R15W84299077443

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