

BEFORE THE ADMINISTRATIVE HEARING COMMISSION
STATE OF MISSOURI

FILED

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ADMINISTRATIVE HEARING
COMMISSION

DIRECTOR, DEPARTMENT OF INSURANCE,
FINANCIAL INSTITUTIONS AND
PROFESSIONAL REGISTRATION,
STATE OF MISSOURI,

Petitioner,

vs.

DALLAS E. AUCH,

Respondent.

Case No.:

Serve:

Dallas E. Auch
14027 W. 139th Terrace
Olathe, KS 66962
Telephone: 913-390-7842

COMPLAINT

JOHN M. HUFF, Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration, through counsel, complains and requests the Administrative Hearing Commission find that cause exists for disciplinary action against Respondent Dallas E. Auch, and in support, states as follows:

INFORMATION RELEVANT TO ALL COUNTS

1. Petitioner is the Director ("Director") of the Missouri Department of Insurance, Financial Institutions and Professional Registration whose duties include, pursuant to Chapters 374 and 375, RSMo, the regulation, supervision, and discipline of insurance producers.
2. The Missouri Department of Insurance, Financial Institutions and Professional Registration ("Department") originally issued Respondent Dallas E. Auch a non-resident

insurance producer license (No. 163691) on January 22, 2002. The license was renewed and remained active until January 22, 2008, at which time the license was not renewed and expired.

3. The Commission has jurisdiction over this Complaint pursuant to § 621.045 RSMo (Supp. 2009)¹.

4. Section 375.141 provides, in relevant 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:

* * *

(2) Violating any insurance laws, or violating any regulation, subpoena or order of the director or of another insurance commissioner in any other state;

* * *

(6) Having been convicted of a felony or crime involving moral turpitude;

* * *

(9) Having an insurance producer license, or its equivalent, denied, suspended or revoked in any other state, province, district or territory;

(10) Signing the name of another to an application for insurance or to any document related to an insurance transaction without authorization[.]

* * *

6. An insurance producer shall report to the director any administrative action taken against the producer in another jurisdiction or by another governmental agency in this state within thirty days of the final disposition of the matter. This report shall include a copy of the order, consent order or other relevant legal documents.

7. Within thirty days of the initial pretrial hearing date, a producer shall report to the director any criminal prosecution for a felony or a crime involving moral turpitude of the producer taken in any jurisdiction. The report shall include a copy of the indictment or information filed, the order resulting from the hearing and any other relevant legal documents.

¹ All statutory references are to RSMo (Supp. 2009) unless otherwise indicated.

COUNT I
Conviction of Felony or Crime of Moral Turpitude

5. Respondent Auch has been convicted of a felony or crime of moral turpitude which is a ground for discipline under § 375.141.1(6).
6. The facts are as follows:
 - a. On June 21, 2006, after a jury trial, Respondent Auch was convicted of one count of forgery as defined in K.S.A. 21-3710, a level 8 nonperson felony. Auch was sentenced to eighteen (18) months probation. *State v. Dallas E. Auch*, District Court of Johnson County, Case No. 05CR2781, *aff'd*, *State v. Auch*, 185 P.2d 935 (Kan. Ct. App. 2008).
 - b. According to the facts supporting the jury verdict found by the Kansas Court of Appeals, Respondent Auch submitted an application for insurance to Mega Health and Life Insurance Company on behalf of Mitchell and Melinda Vanderputte and forged the signature of Mr. Vanderputte on the authorization for direct payment for the premium. *State v. Auch*, 185 P.2d at 938 – 941.
 - c. Respondent Auch did not ever report to the Director his criminal prosecution for forgery, nor did he ever provide to the Director a copy of the indictment or information filed, the order or judgment after any hearing or after the trial, or any other relevant legal documents.
7. Sufficient grounds exist for disciplining Respondent Auch's insurance producer license for violating § 375.141.1(6).

COUNT II
Failure to Report Criminal Conviction

8. Respondent failed to report to the Director a criminal prosecution against him in Kansas or to provide a copy of the indictment or information filed or other relevant legal documents in violation of § 375.141.7, which is grounds to discipline Respondent's insurance producer license pursuant to §375.141.1(2).
9. Petitioner realleges and expressly incorporates by reference the allegations in Count I, paragraph 6.
10. Sufficient grounds exist for disciplining Respondent's insurance producer license pursuant to § 375.141.1(2).

COUNT III
Signing Name to Insurance Document without Authorization

11. Respondent signed the name of another to an application for insurance or to a document related to an insurance transaction without authorization which is grounds to discipline Respondent's insurance producer license pursuant to § 375.141.1(10).
12. Petitioner realleges and expressly incorporates by reference the allegations in Count I, paragraph 6.
13. Sufficient grounds exist for disciplining Respondent's insurance producer license pursuant to § 375.141.1(10).

COUNT IV
Revocation of Insurance Producer License in Another State

14. Respondent's insurance producer license or its equivalent was revoked in another state which is grounds to discipline Respondent's producer license pursuant to § 375.141.1(9).
15. The facts are as follows:

- a. After an evidentiary/adjudicative hearing before the Kansas Department of Insurance, the Kansas Commissioner of Insurance, on December 1, 2006, revoked the resident insurance license of Respondent Auch on the grounds that: (1) Auch violated his professional and fiduciary duty as an insurance agent; (2) Auch's conduct constituted fraudulent or dishonest practice and demonstrated untrustworthiness and financial irresponsibility; and (3) Auch had been convicted of a felony. *In the Matter of the Kansas Resident Insurance Agent's License of Dallas E. Auch*, Kansas Commissioner of Insurance, Final Order, No. 3525-SO.

16. Sufficient grounds exist for disciplining Respondent's insurance producer license pursuant to § 375.141.1(9).

COUNT V
Failure to Report Revocation to the Director

17. Respondent failed to report to the Director the administrative action taken against him by the Kansas Department of Insurance, in violation of § 375.141.6, which is grounds to discipline Respondent's insurance producer license pursuant to § 375.141.1(2).

18. The facts are as follows:

- a. Petitioner realleges and expressly incorporates by reference the allegations in Count IV, paragraph 15.
- b. Respondent Auch did not ever report to the Director the administrative action (revocation) taken against him by the Kansas Department of Insurance nor did Respondent ever provide to the Director a copy of the order or other relevant legal documents.

19. Sufficient grounds exist for disciplining Respondent's insurance producer license pursuant to § 375.141.1(2) for violating § 375.141.6.

WHEREFORE, based on the foregoing, Petitioner respectfully requests the Commission make findings of fact and conclusions of law stating that Petitioner has established cause to discipline Respondent Dallas E. Auch's insurance producer license pursuant to §§ 375.141.1(2), (6), (9), and (10) RSMo (Supp. 2009).

Respectfully submitted,



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