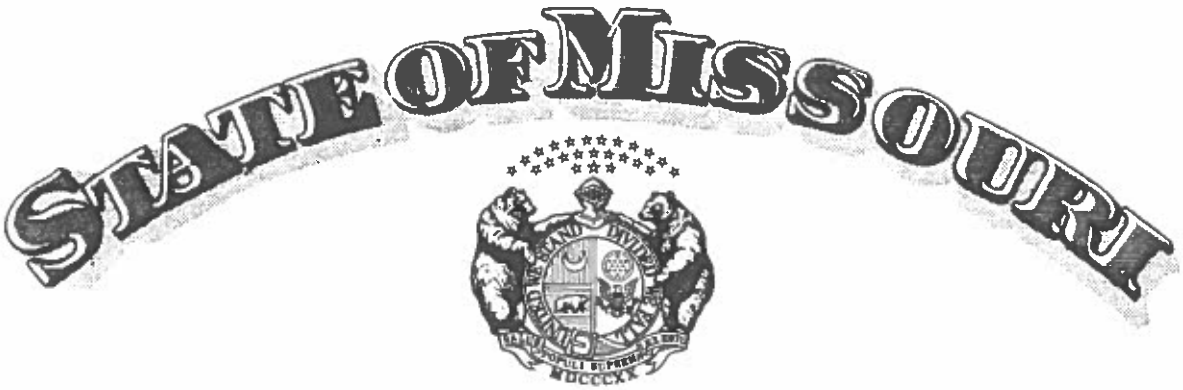

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

P.O. Box 690, Jefferson City, Mo. 65102-0690

In the Matter of:	)	
	)	**Case No. 15-0213095C**
Lawrence Tyrone King,	)	
	)	
Applicant.	)	

CONSENT ORDER

John M. Huff, Director of the Department of Insurance, Financial Institutions and Professional Registration takes up the above matter for consideration and disposition. The Consumer Affairs Division, through legal counsel Cheryl C. Nield, and Applicant Lawrence Tyrone King have reached a settlement in this matter and have consented to the issuance of this Consent Order.

1. John M. Huff is the duly appointed Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration ("Director" of the "Department") whose duties, pursuant to Chapters 374 and 375, RSMo,[1] include the supervision, regulation, and discipline of insurance producers and business entity producers.

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

2. The Director has authority to grant or deny consent to individuals prohibited from engaging in the business of insurance pursuant to the Insurance Fraud Prevention Act of 1994, 18 U.S.C. § 1033.

3. The Consumer Affairs Division ("Division") has the duty of conducting investigations into the acts of insurance producers under the insurance laws of this state and is authorized by the Director to investigate and to recommend enforcement action for violations of the insurance laws of this state.

4. On or about May 20, 2013, Lawrence Tyrone King ("King") submitted an electronic non-resident insurance producer license application ("2013 Application") to the Department.

5. In his 2013 Application, King disclosed that he had been convicted of a crime. He also provided a copy of a document from his home state of Montana, to wit: an "Order Granting Consent to Person Seeking Written Consent to Work in Insurance Related Business or Activities Pursuant to 18 U.S.C. § 1033." *In the Matter of L.K.*, Commissioner of Securities and Insurance, Office of the State Auditor, State of Montana, Case No.: INS-2009-23 ("Montana § 1033 Order"). The Montana § 1033 Order permits King to work in Montana in insurance-related businesses or activities, notwithstanding the fact that he has a conviction involving dishonesty or a breach of trust.

6. On May 29, 2013, June 20, 2013, and July 12, 2013, the Division mailed inquiry letters to King at the address listed on his 2013 Application with questions about his 2013 Application. The letters were not returned to the Department as undeliverable, but King never responded to them, and he did not provide reasonable justification for any delay.

7. On or about September 4, 2013, King voluntarily withdrew his 2013 Application.

8. On or about November 14, 2014, King submitted another electronic non-resident insurance producer license application ("2014 Application") to the Department.

9. In his 2014 Application, King once again disclosed that he had been convicted of a crime and referenced the Montana § 1033 Order that he had obtained, a copy of which he had previously provided in conjunction with his 2013 Application.

10. King also disclosed various administrative actions against him and provided documentation in that regard from other states.

11. On November 21, 2014 and December 15, 2014, the Division sent inquiry letters to King at the address listed on his 2014 Application, asking about the specific crime that he was convicted of and about certain other discrepancies in his 2014 Application. The inquiry letters also asked King to fill out an "Application to the Missouri Department of Insurance, Financial Institutions and Professional Registration for Written Consent to Engage in the Business of Insurance Pursuant to 18 U.S.C. § 1033" ("§ 1033 Waiver Application").

12. The Division provided deadlines for King to respond to the inquiry letters (December 11, 2014 and January 5, 2015, respectively), and the inquiry letters were not returned to the Division as undeliverable, but King did not timely respond and he did not provide reasonable justification for any delay.

13. On January 7, 2015, King responded late to the Division's inquiry letters regarding the questions about his 2014 Application. King provided: a letter answering all questions in the inquiry letters; a completed § 1033 Waiver Application for Missouri; another copy of the Montana § 1033 Order; an affidavit from Sara D. Smith, Treasurer and Chief

Financial Officer for ALPS Corporation and ALPS Property & Casualty Insurance Company ("Smith affidavit"), King's employer; documents relating to King's criminal conviction; and various documents relating to administrative actions taken against King in other states. King later submitted to the Department his tax returns for five years and his credit report. In the Smith affidavit, Ms. Smith indicated that King would "perform only those insurance activities" indicated in his § 1033 Waiver Application, and that King "shall not be placed in a position in which his activities will constitute a risk or threat to the insurance consumers or the insurers."

14. On or about May 12, 1988, King pled guilty to a felony charge of attempted theft arising out of an incident where he called in a bomb threat to a hotel and demanded $300.00. *State v. Lawrence Tyrone King*, Montgomery County, Maryland Dist. Ct., Case No. 00024955D0. Other charges in connection with the incident were dropped. *Id.* The court sentenced King to four years' incarceration with all but 90 days suspended, and with 21 days credit for time served. Upon release from serving the 90 days, the court placed King on 45 months of supervised probation. King appears to have successfully completed that probation.

15. King has been the subject of the following administrative actions:

a. By letter dated August 21, 2013, the North Dakota Insurance Department denied King's application for a nonresident individual insurance producer license due to King's aforementioned conviction. King did not appeal the denial.

b. By letter dated July 30, 2013, the State of Wisconsin, Office of the Commission of Insurance, denied King's application for a permanent

individual intermediary agent's insurance license because of King's conviction, because King failed to respond to Wisconsin's written requests for information, and because King failed to disclose an administrative action against him in the state of Montana. King did not appeal the denial.

c. On November 19, 2013, in *In the matter of: Lawrence T. King*, the State of Michigan, Department of Insurance and Financial Services, entered its "Notice of License Denial and Opportunity for Hearing" in which Michigan denied King's application for an insurance producer license because of King's conviction and because King failed to disclose administrative actions against him in North Dakota and Wisconsin. King did not appeal the denial.

d. On April 14, 2014, the Commonwealth of Virginia revoked King's non-resident license for failure to report administrative actions taken against him in the states of Wisconsin and North Dakota. King requested reconsideration of the matter, which was granted on May 1, 2014. On June 27, 2014, King and the Commonwealth entered into a "Settlement Order" wherein the parties agreed that the case against King would be dismissed and King would pay a $1,000.00 fine. *Commonwealth of Virginia, ex rel. State Corporation Commission v. Lawrence T. King*, Case No. INS-2014-00060.

e. On May 29, 2014, King entered into a "Consent Order" in the State of South Dakota. King, who holds a non-resident insurance producer license in South Dakota, failed to report an administrative action against him in Wisconsin and he failed to respond to inquiries from the South Dakota Division of Insurance. King agreed to pay $500.00 in lieu of having an administrative hearing on

these matters. *In the Matter of Lawrence King*, Division of Insurance, Department of Labor and Regulation, State of South Dakota.

16. 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; [or]
>
> * * *
>
> (9) Having an insurance producer license, or its equivalent, denied, suspended or revoked in any other state, province, district or territory[.]

17. Title 20 CSR 100-4.100(2)(A) provides as follows:

> 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.

18. King acknowledges and understands that pursuant to 18 U.S.C. § 1033 he is prohibited from engaging in the business of insurance in Missouri without the Director's consent because he has been convicted of a criminal felony involving dishonesty or a breach of trust.

19. King acknowledges and understands that under § 375.141.1(2) the Director may refuse to issue him a non-resident insurance producer license because King failed to respond adequately to inquiry letters from the Division without reasonable justification for any delay.

20. King acknowledges and understands that under § 375.141.1(6) the Director may refuse to issue him a non-resident insurance producer license because King has been convicted of a felony or a crime involving moral turpitude.

21. King acknowledges and understands that under § 375.141.1(9) the Director may refuse to issue him a non-resident insurance producer license because King has had a producer license or its equivalent revoked in another state, Virginia, and because King has been denied non-resident individual insurance producer licenses or their equivalents in Wisconsin, North Dakota, and Michigan.

22. King acknowledges and understands that he has the right to consult counsel at his own expense.

23. King stipulates and agrees to waive any waivable rights that he may have to a hearing before the Administrative Hearing Commission or the Director and any rights to seek judicial review or other challenge or contest of the terms and conditions of this Consent Order and forever releases and holds harmless the Department, the Director and his agents, and the Division from all liability and claims arising out of, pertaining to, or relating to this matter.

24. King acknowledges and understands that this Consent Order is an administrative action and will be reported by the Department to other states. King further acknowledges and understands that this administrative action should be disclosed on future

applications and renewal applications, if required, and that it is his responsibility to comply with the reporting requirements of each state in which he is licensed.

25. Each signatory to this Consent Order certifies by signing that he or she is fully authorized, in his or her own capacity, or by the named party he or she represents, to accept the terms and provisions of this Consent Order in their entirety, and agrees, in his or her personal or representational capacity, to be bound by the terms of this Consent Order.

Conclusions of Law

26. The actions admitted by King are cause to refuse his non-resident insurance producer license pursuant to § 375.141.1(2), (6) and (9).

27. Pursuant to 18 U.S.C. § 1033, the Director has discretion to grant or deny consent to King to engage in the business of insurance.

28. The Director may impose orders in the public interest under § 374.046.

29. The terms set forth in this Consent Order are an appropriate disposition of this matter and entry of this Consent Order is in the public interest.

Settlement Terms

Order Regarding § 1033 Waiver

IT IS ORDERED that the Director, having duly received and considered King's § 1033 Waiver Application, will grant such application, subject to the following conditions:

1. In the event that the Director determines that King, or a representative of King, has made a materially false or misleading statement, or has failed to disclose information material to the Director's determination herein, King's § 1033 Waiver shall be void.

2. This Order applies only to the position, employment, or job currently held by King at Attorneys Liability Protection Society ("ALPS") Insurance Agency, Inc. Hence, King may only be engaged in the business of insurance at ALPS.

3. Any proposed change in King's current occupation within the business of insurance in the State of Missouri shall be submitted to the Director for further review.

4. Should the Director determine that King has violated any condition for granting this Order, this § 1033 Waiver shall be void.

Order Regarding License Issuance

IT IS FURTHER ORDERED that the Department will issue a non-resident insurance producer license to King, subject to the following conditions:

1. King shall respond to all inquiries and consumer complaints forwarded or otherwise communicated to him by the Department within five business days of receipt. Such response shall only be by King personally or by and through an attorney representing King.

2. King shall report to the Department any violation of or failure to comply with the laws set forth in Chapters 374 and 375 and all regulations promulgated thereunder within five business days of such violation or failure to comply.

3. King shall respond to all inquiries from the Department in accordance with 20 CSR 100-4.100(2)(A).

4. King shall report to the Division any and all of the following incidents involving King: arrest, guilty plea, *Alford* plea, nolo contendere plea, finding of guilt, or conviction concerning a felony or crime of moral turpitude. King shall report all such incidents to the Division within five business days of their occurrence.

5. King shall report to the Division any administrative action taken against King by any other governmental agency in Missouri or any other jurisdiction within five business days of the final disposition of such administrative action.

6. For two years subsequent to the date of this executed Consent Order, King will voluntarily surrender his license to the Department within 30 days of his entry of a guilty plea, *Alford* plea, nolo contendere plea, finding of guilt, or conviction for a felony or crime of moral turpitude, regardless of whether sentence is imposed, suspended, or executed.

7. If King maintains his non-resident producer license beyond the initial term and complies with the terms of this Consent Order, King may apply to renew his license and the Director shall consider the renewal application in accordance with Chapters 374 and 375, without regard to his prior criminal conviction in *State v. Lawrence Tyrone King*, Montgomery County, Maryland Dist. Ct., Case No. 00024955D0, and the 2013 and 2014 administrative actions against him in Virginia, South Dakota, North Dakota, Wisconsin, and Michigan.

8. The special conditions listed in the Order Regarding License Issuance section, paragraphs 1 through 7, outlined above, will expire two years from the date this Order is issued.

9. If King meets and complies with the terms and conditions set forth in paragraph 7, and King's non-resident insurance producer license is renewed, the § 1033 Waiver and the terms and conditions set forth regarding the § 1033 Waiver shall continue until King fails to comply with such terms and conditions or until King's non-resident insurance producer license expires or is refused, revoked, suspended, or cancelled/surrendered.

IT IS FURTHER ORDERED that the Director may pursue additional legal remedies, as necessary and without limitation, as authorized by Chapters 374 and 375, RSMo, including remedies for violations of, or failure to comply with, the terms of this Consent Order.

SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS 17th DAY OF November, 2015.

JOHN M. HUFF
Director, Missouri Department of Insurance, Financial Institutions and Professional Registration

CONSENT AND WAIVER OF HEARING

The undersigned persons understand and acknowledge that King has the right to a hearing, but that King has waived the hearing and consented to the issuance of this Consent Order.

Lawrence Tyrone King, Applicant
136 Bridger Ct.
Missoula, Montana 59803

11.05.2015
Date

N/A
Counsel for Applicant
Name: _____
Bar No. _____
Address: _____
_____
Telephone: _____

Date

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11/12/15
Date