



**DEPARTMENT OF INSURANCE, FINANCIAL
INSTITUTIONS AND PROFESSIONAL REGISTRATION**

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

In the Matter of:) **DIFP No. 130529336C**
)
PAMELA S. JORDAN) **AHC Case No. 13-1458 DI**
)

**FINDINGS OF FACT, CONCLUSIONS OF LAW
AND ORDER OF DISCIPLINE**

Based on the competent and substantial evidence on the whole record, I, James R. McAdams, Deputy Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration, hereby issue the following Findings of Fact, Conclusions of Law, and Order of Discipline.

Findings of Fact

1. James R. McAdams is the duly appointed Deputy Director (“Deputy Director”) of the Missouri Department of Insurance, Financial Institutions and Professional Registration (the “Department”), whose duties, pursuant to Chapters 374 and 375, RSMo, include acting in the stead of the Director, John M. Huff (“Director”), and thereby the supervision, regulation, and discipline of individual insurance producers.

2. The Department issued Respondent Pamela S. Jordan an insurance producer license (License Number 0111385) on June 19, 2000, which expired on June 19, 2014.

3. On August 12, 2013, the Director of the Department filed a Complaint with the Administrative Hearing Commission (“Commission”) alleging cause existed to discipline Jordan’s insurance producer license on multiple grounds. *Director of Dep’t of Ins., Fin. Insts. & Prof’l Regis’n v. Pamela S. Jordan*, No. 13-1458 DI (Mo. Admin. Hrg. Comm’n). Jordan did not file an answer to the Complaint.

4. On November 25, 2013, the Director filed a Motion for Summary Decision. Jordan responded on December 23, 2013, and the Director replied on January 10, 2014.

5. On January 30, 2014 the Commission issued its Order granting in part the Director’s Motion for Summary Decision and finding cause to discipline Jordan’s insurance producer license pursuant to § 375.141.1(2) RSMo Supp. 2013.¹

6. After the Director dismissed the remaining count in the Complaint without prejudice, the Commission issued its Decision on February 5, 2014 dismissing the remaining charge and incorporating by reference its January 30, 2014 Order.

7. In its January 30, 2014 Order, and as incorporated into the Commission’s February 5, 2014 Decision, the Commission found and concluded, *inter alia*, the following:

- a. Jordan sold various Bankers Life and Casualty Company deferred annuity products (insurance products) totaling over \$150,000.00 to Dennis Smith.
- b. Smith, a retired maintenance worker, became friends with Jordan over the course of their business dealings and they were not related.

¹ All statutory references are to Revised Statutes of Missouri Supplement 2013 unless otherwise indicated.

- c. Smith's usual occupation or practice was not receiving and processing loan applications or providing loans to the public.
- d. In 2012, Jordan asked Smith for a loan. Smith loaned Jordan \$1,500.00.
- e. Under Count I of the Complaint, Jordan violated 20 CSR 700-1.140(3) by soliciting and obtaining a loan from a former insurance client and is therefore subject to discipline under § 375.141.1(2) for violating an insurance regulation. The Commission specifically determined that neither of the exceptions listed in 20 CSR 700-1.140(3) applied.
- f. Based on the Director's Motion for Summary Decision, the Commission did not find cause to discipline Jordan under § 375.141.1(8) under Count II.

January 30, 2014 Order, *Director of Dep't of Ins., Fin. Insts. & Prof'l Regis'n v. Pamela S. Jordan*, No. 13-1458 DI (Mo. Admin. Hrg. Comm'n).

8. The Deputy Director hereby adopts and incorporates the Commission's January 30, 2014 Order and February 5, 2014 Decision and does hereby find in accordance with the same. *Director of Dep't of Ins., Fin. Insts. & Prof'l Regis'n v. Pamela S. Jordan*, No. 13-1458 DI (Mo. Admin. Hrg. Comm'n).

9. On March 11, 2014, the Commission certified its record of its proceedings to the Director pursuant to § 621.110.

10. The Director's March 14, 2014 Notice of Hearing scheduled the disciplinary hearing for April 25, 2014 at the Department's office.

11. Upon request by Jordan, the Hearing Officer, Cheryl C. Nield, issued her April 11, 2014 Order rescheduling the hearing for May 20, 2014 at the Department.

12. At the May 20, 2014 disciplinary hearing, Jordan appeared *pro se*. Mary S. Erickson appeared as counsel for the Department's Consumer Affairs Division ("Division"). Disciplinary Hearing Transcript ("Tr.") 2-3.

13. The Division made an opening statement, offered three exhibits into evidence, and called no witnesses. Tr. 9-12.

14. The Division requested the Hearing Officer to take official notice of the Department's records showing that the Department issued Jordan a resident insurance producer license on June 19, 2000, which was still active at the time of the hearing. Tr. 17. The Hearing Officer took official notice of Jordan's licensure status. *Id.*²

15. The Hearing Officer admitted the following exhibits offered by the Division: Exhibit 1, the Commission's certified record of proceedings; Exhibit 2, Notice of Hearing for the disciplinary hearing; Exhibit 3, April 11, 2014 Order rescheduling the disciplinary hearing. Tr. 9.

16. For discipline, the Division, in its opening statement and closing argument, recommended that the insurance producer license of Pamela Jordan be suspended for six months. Tr. 10, 18.

17. Jordan testified on her own behalf, in relevant part, as follows:

- a. Jordan and Dennis Smith had known each other for quite some time and that "he and I were more friends. . . . [M]y grandson played with his grandchildren when they were in town." Tr. 14.

²Jordan knew that her license would expire in June 2014. Tr. 20.

- b. Jordan explained that she knows “in that initial record³ that it says I asked [for a loan], I did not ask.” *Id.* “And I just want to correct that I didn’t solicit and accept but I accepted, but I did not solicit. . . . [W]e were just in a conversation. As a friend he was just asking how it was going, it was just a conversation. When he said well let me help out and I accepted.” Tr. 20.
- c. Jordan stated that she paid Smith back more than he had loaned her. Tr. 16.
- d. “[O]ver the years I had trainers and sales managers and department managers tell me not to take that kind of time [with her clients] I wanted [the clients] to know what they were doing. I wanted them to see it in black and white.” Tr. 15-16.
- e. Jordan requested that if her license is suspended for six months, that such suspension be retroactive since she has not been practicing the business of insurance for well over a year. Tr. 20.

18. After Jordan’s testimony, the Division moved for the personal health information in the record, including the Commission’s record, be closed pursuant to § 610.021(14) and the United States Health Insurance Portability and Accountability Act, known as “HIPAA,” under 45 C.F.R. § 164.502. Tr. 18. The Hearing Officer ordered the protected health information to be closed. Tr. 19.

Conclusions of Law

19. Section 621.110 outlines the procedure after the Commission finds cause to

³Based on the context, it appears Jordan is referring to the Commission’s certified record.

discipline a license. That statute provides, in relevant part:

Upon a finding in any cause charged by the complaint for which the license may be suspended or revoked as provided in the statutes and regulations relating to the profession or vocation of the licensee . . . , the commission shall deliver or transmit by mail to the agency which issued the license the record and a transcript of the proceedings before the commission together with the commission's findings of fact and conclusions of law. The commission may make recommendations as to appropriate disciplinary action but any such recommendations shall not be binding upon the agency. . . . Within thirty days after receipt of the record of the proceedings before the commission and the findings of fact, conclusions of law, and recommendations, if any, of the commission, the agency shall set the matter for hearing upon the issue of appropriate disciplinary action and shall notify the licensee of the time and place of the hearing[.] . . . The licensee may appear at said hearing and be represented by counsel. The agency may receive evidence relevant to said issue from the licensee or any other source. After such hearing the agency may order any disciplinary measure it deems appropriate and which is authorized by law.

20. Where an agency seeks to discipline a license, the Commission finds the predicate facts as to whether cause exists for the discipline, and then the agency exercises final decisionmaking authority concerning the discipline to be imposed. *State Bd. of Regis'n for the Healing Arts v. Trueblood*, 368 S.W.3d 259, 267-68 (Mo. App. W.D. 2012).

21. Section 374.051.2, relating to a proceeding to revoke or suspend a license, states, in relevant part:

If a proceeding is instituted to revoke or suspend a license of any person under sections 374.755, 374.787, and 375.141, the director shall refer the matter to the administrative hearing commission by directing the filing of a complaint. The administrative hearing commission shall conduct hearings and make findings of fact and conclusions of law in such cases. The director shall have the burden of proving cause for discipline. If cause is found, the administrative hearing commission shall submit its findings of fact and conclusions of law to the director, who may determine appropriate discipline.

22. Section 375.141 states, in pertinent 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[.]

* * *

4. The director may also revoke or suspend pursuant to subsection 1 of this section any license issued by the director where the licensee has failed to renew or has surrendered such license.

23. Title 20 CSR 700-1.140(3) states:

No insurance producer shall obtain or solicit for a loan from an insurance client or former or prospective insurance client ... This prohibition shall not apply—

(A) When it is the usual occupation or practice of the insurance client or former or prospective insurance client to receive and process loan applications and to provide loans to the public as an owner, officer, director or employee of an institution in the business of providing such loans; or

(B) When there exists a relationship between the insurance client or former or prospective insurance client and the insurance producer which gives rise to an insurable interest.

24. The Director, and the Deputy Director acting in his stead, have the discretion to discipline Jordan's expired insurance producer license, including the discretion to revoke or suspend such license. §§ 374.051.2, 374.080, 375.141.1 and .4, and 621.110.

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

Cause for Discipline

26. The Commission found that Jordan solicited and accepted a loan from an insurance client in violation of 20 CSR 700-1.140(3), and that neither exception stated in the regulation applied. Therefore, the Commission concluded that Jordan violated an insurance regulation and cause exists to discipline Jordan's license under § 375.141.1(2).

27. Based on the nature of the aforementioned conduct, sufficient grounds exist to suspend Jordan's Missouri individual insurance producer license for six (6) months pursuant to § 375.141.1(2).

28. This Order is in the public interest.

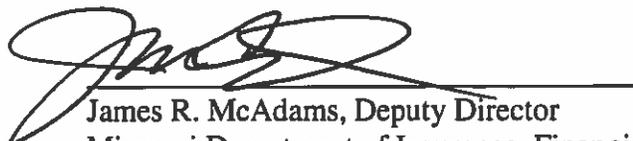
ORDER

Based on the foregoing findings and conclusions and the evidence presented, the individual insurance producer license of **Pamela S. Jordan** (License Number 0111385) is hereby **SUSPENDED** for six months from the date of issuance of this Order.

It is further ordered that the Consumer Affairs Division's motion to close such portions of the disciplinary hearing record relating to the protected health information of Pamela S. Jordan pursuant to § 621.021(14) and HIPAA, 45 C.F.R. § 164.502, is granted.

SO ORDERED, SIGNED, AND OFFICIAL SEAL AFFIXED THIS 20th DAY OF October, 2014.



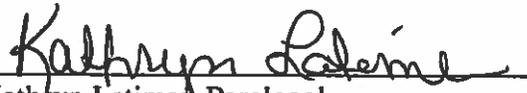

James R. McAdams, Deputy Director
Missouri Department of Insurance, Financial
Institutions and Professional Registration

CERTIFICATE OF SERVICE

I hereby certify that on this 20th day of October, 2014, a copy of the foregoing Findings of Fact, Conclusion of Law and Order of Discipline was served upon the Applicant in this matter by UPS, signature required at the following address:

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Tracking No. 1Z0R15W84298922923



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