

6. To induce their cooperation, Hunt told the people named in the seventeen life insurance policy applications that he would pay the premiums for the first calendar quarter that the policies were in force.
7. None of the Farmers life insurance policies issued nor any applicable filings with the Department allowed Hunt to credit, rebate, or otherwise pay insurance premiums for his clients.
8. Nevertheless, Hunt paid for many of the policies bound pursuant to the seventeen life insurance policy applications, because policy payment was a condition of the Farmers incentive program.
9. As a result of his other bound policies and submitting the seventeen life insurance policy applications to Farmers, it paid him a "2014 Agent Profitability Bonus" of \$21,192.71, as Hunt had hoped.
10. When Farmers conducted an internal audit and discovered the fraudulent nature of the seventeen life insurance policy applications, it conducted an interview of Hunt alongside two of his supervisors.
11. During the September 22, 2015 interview and in a signed, written statement he provided to Farmers that same day, Hunt blamed the seventeen life insurance policy applications on his former employee and duly licensed producer, Tranna Shaughnessy.
12. Tranna Shaughnessy did not even know the seventeen life insurance policy applications existed until Farmers contacted her in September 2015 to test Hunt's allegation. She had no involvement in the submission of the seventeen life insurance policy applications.
13. On or about December 21, 2015, in response to an inquiry from Special Investigator Dennis Fitzpatrick of the Department asking Hunt to address the seventeen life insurance policy applications, Hunt again tried to shirk personal culpability and refocus liability on "the agency[.]" insisting that "at no time did [he] deceive clients" but instead did "an excellent job of representing them[.]"
14. Finally, on June 23, 2016, Hunt testified that he was responsible for submission of the seventeen life insurance policy applications, admitting under oath that his aim was to defraud Farmers of the bonus compensation.³ Hunt testified that he had accused Shaughnessy because she had left his employment by the time Farmers asked.
15. On August 5, 2016, the Department received Hunt's application to renew his resident insurance producer license ("Application").

³ On May 26, 2016, the Director had issued a subpoena to Hunt in furtherance of the Department's investigation of the seventeen life insurance policy applications. Hunt appeared to testify pursuant to the subpoena.

CONCLUSIONS OF LAW

16. Section 375.141.1 RSMo (Supp. 2013)⁴ provides, in relevant part:

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;

* * *

(5) Intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance;

* * *

(7) Having admitted or been found to have committed any insurance unfair trade practice or fraud; [or]

(8) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this state or elsewhere[.]

17. Section 375.144, an insurance law, provides:

It is unlawful for any person, in connection with the offer, sale, solicitation or negotiation of insurance, directly or indirectly, to:

(1) Employ any deception, device, scheme, or artifice to defraud;

(2) As to any material fact, make or use any misrepresentation, concealment, or suppression;

(3) Engage in any pattern or practice of making any false statement of material fact; or

(4) Engage in any act, practice, or course of business which operates as a fraud or deceit upon any person.

⁴ All statutory references are to the 2000 Missouri Revised Statutes, as updated by the 2013 RSMo Supplement.

18. Section 379.356.1 is an insurance law and provides, in relevant part:

No insurer or employee thereof, and no insurance producer shall pay, allow, or give, directly or indirectly, as an inducement to insurance, or after insurance has been effected, any rebate, discount, abatement, credit or reduction of the premium named in a policy of insurance, or any special favor or advantage in the dividends or other benefits to accrue thereon, or any valuable consideration or inducement whatever, not specified in the policy of insurance, except to the extent provided for in applicable filings.

19. The Director may refuse to renew Hunt's resident insurance producer license pursuant to § 375.141.1(2) because he violated an insurance law, specifically § 375.144, when he engaged in a fraudulent or deceptive act, scheme, pattern, or practice by submitting the seventeen life insurance policy applications.
20. The Director may refuse to renew Hunt's resident insurance producer license pursuant to § 375.141.1(2) because he violated an insurance law, specifically § 375.144(2), when he misrepresented to Farmers that Tranna Shaughnessy was responsible for the seventeen life insurance policy applications.
21. The Director may refuse to renew Hunt's resident insurance producer license pursuant to § 375.141.1(2) because he violated an insurance law, specifically § 379.356, when he paid the premiums for his clients' life insurance policies with his own money, contrary to the policies of insurance and not as specified by any filing with the Department.
22. Each violation of an insurance law by Hunt constitutes separate and sufficient cause to refuse license renewal pursuant to § 375.141.1(2).
23. The Director may refuse to renew Hunt's resident insurance producer license pursuant to § 375.141.1(5) because he intentionally misrepresented to Farmers the terms of seventeen life insurance policy applications – specifically, that each of the applicants genuinely sought to pay for the referenced insurance, and that they owned the bank accounts from which Hunt set up recurring debits for premium payments.
24. Each time Hunt intentionally misrepresented the terms of a life insurance policy application constitutes separate and sufficient cause to refuse license renewal pursuant to § 375.141.1(5).
25. The Director may refuse to renew Hunt's resident insurance producer license pursuant to § 375.141.1(7) because he admitted under oath that he committed fraud upon Farmers by submission of the seventeen life insurance policy applications in order to obtain bonus compensation.

26. The Director may refuse to renew Hunt's resident insurance producer license pursuant to § 375.141.1(8) because he used fraudulent or dishonest practices, or demonstrated untrustworthiness in the conduct of his insurance business.
27. The Director has considered Hunt's history and all of the circumstances surrounding Hunt's Application, including Hunt's protracted efforts to evade responsibility for his misconduct. Only when Department investigators confronted him with evidence and questioned him under oath did Hunt admit that he defrauded Farmers and traduced another insurance professional. Renewing Hunt's resident insurance producer license would not be in the interest of the public. Accordingly, the Director exercises his discretion to refuse to renew Hunt's resident insurance producer license.
28. This Order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that the resident insurance producer license renewal application of Kelly Dean Hunt is hereby **REFUSED**.

SO ORDERED.

WITNESS MY HAND THIS EIGHTH DAY OF AUGUST, 2016.



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

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 of Missouri, P.O. Box 1557, Jefferson City, Missouri, within 30 days after the mailing of this notice pursuant to Section 621.120, RSMo. Pursuant to 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.

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CERTIFICATE OF SERVICE

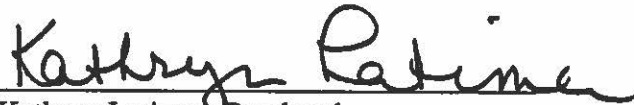
I hereby certify that on this 9th day of August, 2016, a copy of the foregoing Order and Notice was served upon the Renewal Applicant in this matter by UPS, signature required service, at the following address:

Kelly Dean Hunt
310 East Whippoorwill Drive
Strafford, Missouri 65757-8876

No. 1Z0R15W84297493596

Kelly Dean Hunt
300 Buena Vista Parkway
Strafford, MO 65757-8003

No. 1Z0R15W84295726801



Kathryn Latimer, Paralegal
Missouri Department of Insurance, Financial
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301 West High Street, Room 530
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Telephone: (573) 751-6515
Facsimile: (573) 526-5492
Email: Kathryn.Latimer@insurance.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that on this 22nd day of August, 2016, a copy of the foregoing Order and Notice was served upon the Renewal Applicant in this matter by USPS, Certified Mail, at the following address:

Kelly Dean Hunt
300 Buena Vista Parkway
Strafford, MO 65757-8003

Certified No. 7013 2250 0000 4609 6364



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