



State of Missouri

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

IN RE:

Chad T. Callahan,

Applicant.

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Case No. 12-0416377C

**ORDER REFUSING TO ISSUE MOTOR VEHICLE
EXTENDED SERVICE CONTRACT PRODUCER LICENSE**

On June 18, 2012, the Consumer Affairs Division submitted a Petition to the Director alleging cause for refusing to issue a motor vehicle extended service contract producer license to Chad T. Callahan. 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:

FINDINGS OF FACT

1. Chad T. Callahan ("Callahan") is a Missouri resident with a residential address of 3112 Peine Lakes Drive, Wentzville, MO 63385.
2. On or about December 13, 2011, the Department of Insurance, Financial Institutions and Professional Registration ("Department") received Callahan's Application for Motor Vehicle Extended Service Contract Producer License ("First Application").
3. On or about January 17, 2012, the Department received Callahan's second Application for Motor Vehicle Extended Service Contract Producer License ("Second Application").
4. Background Question No. 1 of the Application asks, in relevant part: "Have you ever been convicted of a crime, had a judgement withheld or deferred, or are you currently charged with committing a crime?"
5. On the First Application, Callahan marked "Yes" to Question No. 1, but failed to provide a written statement explaining the circumstances of the incident(s), a copy of the charging document, and a copy of the official document which demonstrates the resolution of the charges or any final judgment, as required by Question No. 1. The licensing section of the Department requested additional information from Callahan.
6. On the Second Application, Callahan marked "No" to Question No. 1, and attached a written statement and incomplete court documents relating to his guilty plea for felony non-support in August 2011.

7. On or about November 15, 2005, Callahan knowingly furnished false information to a police officer as to the identity of the driver of a vehicle involved in an accident with the intent to prevent his own apprehension. On or about April 14, 2006, Callahan pleaded guilty to the Class 4 Felony of Obstructing Justice in Jersey County, Illinois, in violation of Chapter 720, Act 5, Section 31-4(a) of the Illinois Compiled Statutes. Callahan was sentenced to probation for a period of one year and ordered to pay a fine of \$500.00. *State of Illinois v. Chad T. Callahan*, Circuit Court of Jersey County, No. 05-CF-236. This conviction was not disclosed on either the First Application or the Second Application.
8. On or about August 8, 2011, Callahan pleaded guilty to the Class D Felony of Criminal Non-Support, in violation of § 568.040.¹ Callahan received a suspended imposition of sentence and was placed on probation for a period of five years. *State v. Chad Thomas Callahan*, Circuit Court of Pike County, No. 09PI-CR00187-01.
9. On or about March 26, 2012, Callahan was found to be in violation of his probation for failure to pay child support. An order was entered to continue his probation without modification or extension.
10. Background Question No. 7 of the Application asks, in relevant part: "Do you have a child support obligation in arrearage?"
11. On the First Application, Callahan marked "Yes" to Question No. 7, and indicated that he was ten months in arrearage.
12. On the Second Application, Callahan marked "Yes" to Question No. 7, and indicated that he was three months in arrearage.

CONCLUSIONS OF LAW

13. Section 385.209 provides, in part:

1. The director may suspend, revoke, refuse to issue, or refuse to renew a registration or license under sections 385.200 to 385.220 for any of the following causes, if the applicant or licensee or the applicant's or licensee's subsidiaries or affiliated entities acting on behalf of the applicant or licensee in connection with the applicant's or licensee's motor vehicle extended service contract program has:

* * *

¹ All statutory references are to RSMo (2000) as updated by RSMo (Supp. 2011) unless otherwise noted.

(3) Obtained or attempted to obtain a license through material misrepresentation or fraud;

* * *

(5) Been convicted of any felony;

* * *

(12) Failed to comply with an administrative or court order imposing a child support obligation[.]

14. Just as the principal purpose of § 375.141, the insurance producer disciplinary statute, 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), the purpose of § 385.209 is not to punish applicants for a motor vehicle extended service contract producer license, but to protect the public.
15. "A plea of guilty is an admission as to the facts alleged in the information." *Wallace v. State*, 308 S.W.3d 283, 286-87 (Mo. App. S.D. 2010) (internal citation omitted).
16. Callahan may be refused a motor vehicle extended service contract producer license pursuant to § 385.209.1(3) because he attempted to obtain a license through material misrepresentation or fraud.
 - a. Callahan pleaded guilty to the Class 4 Felony of Obstructing Justice in Jersey County, Illinois. This conviction was not disclosed on either of his applications. *State of Illinois v. Chad T. Callahan*, Circuit Court of Jersey County, No. 05-CF-236.
 - b. By failing to disclose his April 14, 2006 felony conviction in Illinois on both the First Application and Second Application, Callahan misrepresented his criminal background in his attempt to obtain a license.
17. Callahan may be refused a motor vehicle extended service contract producer license pursuant to § 385.209.1(5) because he has been convicted of a felony. *State of Illinois v. Chad T. Callahan*, Circuit Court of Jersey County, No. 05-CF-236 (Class 4 Felony of Obstructing Justice in violation of Chapter 720, Act 5, Section 31-4(a) of the Illinois Compiled Statutes).
18. Callahan may be refused a motor vehicle extended service contract producer license pursuant to § 385.209.1(12) because he has failed to comply with an administrative or court order imposing a child support obligation. Callahan admitted in his guilty plea that he failed to pay court-ordered child support for six different months within a twelve month period. *State v. Chad Thomas Callahan*, Circuit Court of Pike County, No. 09PI-

CR00187-01 (Class D Felony of Criminal Non-Support in violation of § 568.040). Callahan was further found in violation of his probation on March 26, 2012, for failing to pay child support. *Id.*

19. Granting Callahan a motor vehicle extended service contract producer license would not be in the interest of the public. For all of the reasons given in this Petition, the Director has considered Callahan's history and all of the circumstances surrounding Callahan's Application and exercises his discretion to refuse Callahan's motor vehicle extended service contract producer license.
20. The order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that the motor vehicle extended service contract producer license application of Chad T. Callahan is hereby **REFUSED**.

SO ORDERED.

WITNESS MY HAND THIS 20th DAY OF JUNE, 2012.




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 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.

CERTIFICATE OF SERVICE

I hereby certify that on this 22nd day of June, 2012 a copy of the foregoing Order and Notice was served upon the Applicant in this matter by regular and certified mail at the following address:

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3112 Peine Lakes Drive
Wentzville, MO 63385

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