



State of Missouri

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

IN RE:

Carliss D. Dykes,
Applicant.

Case No. 111101752C

Serve at:

5786 Firethorn
Dallas, Texas 75249

**ORDER REFUSING TO ISSUE
NON-RESIDENT INSURANCE PRODUCER LICENSE**

On December 29, 2011, the Consumer Affairs Division submitted a Petition to the Director alleging cause for refusing to issue a non-resident insurance producer license to Carliss D. Dykes. 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 summary order.

FACTUAL BACKGROUND

1. Carliss D. Dykes ("Dykes") is an individual residing in Texas, whose residence and mailing address of record is 5786 Firethorn, Dallas, Texas 75249.
2. On or about May 18, 2011, the Department of Insurance, Financial Institutions and Professional Registration ("Department") received an electronic Uniform Application for Individual Non-Resident Insurance Producer License ("Application") on behalf of Dykes. Dykes' Application was complete on May 20, 2011.
3. In the section of the Application headed "Background Questions," Background Question #2 asks "Have you ever been named or involved as a party in an administrative proceeding regarding any professional or occupational license or registration?" Dykes answered "No" to

Background Question #2.

4. Dykes failed to disclose with his Application that on May 9, 2007, the National Association of Securities Dealers ("NASD") concluded disciplinary action concerning Dykes' securities registration that required Dykes to pay a \$10,000 fine and suspended Dykes from association with any NASD member for three months. *Department of Enforcement v. Dykes*, Disciplinary Proceeding No. E062004029602, Order Accepting Offer of Settlement, May 9, 2007.
5. On July 26, 2011, the California Insurance Commissioner denied Dykes' application for an unrestricted license. In the same order, the California Insurance Commissioner granted Dykes a restricted license. *In the Matter of the Application of Carliss Donald Dykes*, File No. LBB 6838-AP (AR), Order of Summary Denial and for Issuance of a Restricted License, July 26, 2011.

JURISDICTION AND STATUTORY GROUNDS FOR REFUSAL

6. Section 375.141.1 RSMo Supp. 2011,¹ provides, in 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:

(1) Intentionally providing materially incorrect, misleading, incomplete or untrue information in the license application;

* * *

(3) Obtaining or attempting to obtain a license through material misrepresentation or fraud;

* * *

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

7. The principal purpose of § 375.141 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).

¹ All statutory references are to the 2011 Supplement to the Revised Statutes of Missouri unless otherwise noted.

8. Dykes may be refused an insurance producer license pursuant to §375.141.1(1), because by failing to disclose the NASD disciplinary proceeding on the Application, Dykes intentionally provided materially incorrect, misleading, incomplete or untrue information on the Application. Dykes' response to Background Question #2 was untrue in that he had been involved in an administrative proceeding with the NASD prior to completing the Application.
9. Dykes may be refused an insurance producer license pursuant to §375.141.1(3), because by failing to disclose the NASD disciplinary proceeding on the Application, Dykes attempted to obtain a license through material misrepresentation or fraud. The fact that the NASD took disciplinary action against Dykes' securities license is a material fact which the Director would take into consideration when determining whether or not to issue Dykes an insurance producer license.
10. Dykes may be refused an insurance producer license pursuant to §375.141.1(9) because the California Insurance Commissioner denied Dykes' application for an unrestricted license. *In the Matter of the Application of Carliss Donald Dykes*, File No. LBB 6838-AP (AR), Order of Summary Denial and for Issuance of a Restricted License, July 26, 2011.
11. The Director has considered Dykes' history and all of the circumstances surrounding Dykes' Application for licensure and exercises his discretion in summarily refusing to grant Dykes' insurance producer license.
12. Granting Dykes' insurance producer license would not be in the public interest.
13. This Order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that the non-resident insurance producer license application of Carliss D. Dykes is hereby summarily REFUSED.

SO ORDERED, SIGNED, AND OFFICIAL SEAL AFFIXED THIS 30th
DAY OF DECEMBER, 2011.




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, P.O. Box 1557, Jefferson City, Missouri within 30 days after the mailing of this notice pursuant to §621.120, RSMo. Under 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 30th day of December, 2011, 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:

Carliss D. Dykes
5786 Firethorn
Dallas, Texas 75249

Certified Mail No. 7008 2810 0000 2014 8861


Kathryn Randolph, Paralegal
Missouri Department of Insurance,
Financial Institutions and Professional
Registration
301 West High Street, Room 530
Jefferson City, Missouri 65101
Telephone: 573.751.2619
Facsimile: 573.526.5492
Kathryn.Randolph@insurance.mo.gov