



State of Missouri

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND
PROFESSIONAL REGISTRATION

IN RE:

JERRY L. STANFILL,

Applicant.

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Case No. 14-0429443C

ORDER REFUSING TO ISSUE
AN INSURANCE PRODUCER LICENSE

On June 24th, 2014, the Consumer Affairs Division submitted a Petition to the Director alleging cause for refusing to issue an individual insurance producer license to Jerry L. Stanfill. 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. Jerry L. Stanfill ("Stanfill") is a Missouri resident with a residential address of 1417 Walnut Court, Festus, Missouri, 63028.
2. On March 25, 2014, the Department received Stanfill's completed electronic Application for an individual Missouri insurance producer license (the "Application").
3. Background Question No. 1B of the Application asks the following, in relevant part:

Have you ever been convicted of a felony, had a judgment withheld or deferred, or are you currently charged with committing a felony? You may exclude juvenile adjudications (offenses where you were adjudicated delinquent in a juvenile court).
4. Stanfill marked "Yes" to Background Question No. 1B.
5. Stanfill provided a written statement with his Application, which stated, in relevant part, verbatim:

On 11-20-2001, I had a possession charge of a controlled Substance in Jefferson County Missouri. I was sentenced to 5 yrs probation on 11-21-2003. I served one year and was released. 6 months supervised and

6 months minimum. It was just a low time in my life which I pay for continuously. It is not something I'm proud of but has made me a better person at the same time. Since this incident I have not been in trouble and have educated myself vigorously.

6. Stanfill provided a certified copy of the docket sheet in *State of Missouri v. Jerry L. Stanfill*, Jefferson Co. Cir. Ct., No. 23CR302-1312, evidently the case to which Stanfill referred in his written statement, but he did not disclose any further detail about the charge he described and did not provide a copy of the Information or the Sentence and Judgment in the case.
7. Stanfill did not disclose any further criminal history.
8. The Consumer Affairs Division (the "Division") conducted an investigation of Stanfill's Application, which revealed that on January 21, 2003, Stanfill pleaded guilty in the Jefferson County Circuit Court to the Class C Felony of Possession of a Controlled Substance Except 35 Grams or Less of Marijuana, in violation of § 195.202, RSMo. The court sentenced Stanfill to a term of three years' imprisonment, but suspended execution of the sentence and placed Stanfill on five years' probation. On December 14, 2005, the court ordered Stanfill discharged from probation.¹
9. The Division's investigation further revealed that on November 13, 1995, Stanfill pleaded guilty in the Jefferson County Circuit Court to the Class C Felony of Stealing, in violation of § 570.030, RSMo. The court suspended the imposition of sentence and placed Stanfill on five years' probation. On April 18, 2000, the court discharged Stanfill from probation.²
10. In a phone conversation with Division Investigator E.J. Jackson, Stanfill stated that he had not disclosed in his Application that he pleaded guilty to the Class C Felony of Stealing and received a suspended imposition of sentence because he did not remember that the charge had been a felony.
11. Background Question No. 1A of the Application asks:

Have you ever been convicted of a misdemeanor, had a judgment withheld or deferred, or are you currently charged with committing a misdemeanor?

You may exclude the following misdemeanor convictions or pending misdemeanor charges: traffic citations, driving under the influence

¹ *State of Missouri v. Jerry L. Stanfill*, Jefferson Co. Cir. Ct., No. 23CR302-1312.

² *State of Missouri v. Jerry L. Stanfill*, Jefferson Co. Cir. Ct., No. 23CR195-1407.

(DUI), driving while intoxicated (DWI), driving without a license, reckless driving, or driving with a suspended or revoked license. You may also exclude juvenile adjudications (offenses where you were adjudicated delinquent in a juvenile court)[.]

12. Stanfill marked "No" to Background Question 1A.

13. Background Question No. 2 of the Application asks:

Have you ever been named or involved as a party in an administrative proceeding, including FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration?

"Involved" means having a license censured, suspended, revoked, sanctioned or surrendering a license to resolve an administrative action. "Involved" also means being named as a party to an administrative or arbitration proceeding, which is related to a professional or occupational license, or registration. "Involved" also means having a license, or registration application denied or the act of withdrawing an application to avoid a denial.

INCLUDE any business so named because of your actions in your capacity as an owner, partner, officer or director, or member or manager of a Limited Liability Company. You may EXCLUDE terminations due solely to noncompliance with continuing education requirements or failure to pay a renewal fee.

If you answer yes, you must attach to this application: a) a written statement identifying the type of license and explaining the circumstances of each incident, b) a copy of the Notice of Hearing or other document that states the charges and allegations, and c) a copy of the official document, which demonstrates the resolution of the charges or any final judgment.

14. Stanfill marked "No" to Background Question No. 2 and did not disclose any involvement in an administrative proceeding regarding a professional or occupational license or registration.

15. The Division's investigation revealed that, contrary to Stanfill's answer to Background Question No. 2, Stanfill had been involved in an administrative proceeding regarding a professional or occupational license or registration. On April 18, 2013, the Indiana Commissioner of Insurance entered a Final Order granting Stanfill a probationary independent insurance adjuster's license under the terms of an Agreed Entry. Stanfill signed the Agreed Entry, agreeing to its terms, dating his

signature April 1, 2013.³

16. The Agreed Entry signed by Stanfill on April 1, 2013, recites that "supporting documentation showed that Stanfill was convicted of a Felony for Theft on September 13, 1995[.]"
17. Stanfill's explanation for his failure to disclose in his Application that he pleaded guilty to the Class C Felony of Stealing and received a suspended imposition of sentence because he did not remember that the charge had been a felony is not credible. Having been charged with and pleaded guilty to a felony are events that a person is unlikely to forget.
18. Stanfill's intentional failure to disclose the Class C Felony of Stealing is also evidenced by the fact that the Indiana Commissioner of Insurance entered into an agreement signed by Stanfill for an independent insurance adjuster's license based on that felony and the Indiana Commissioner's consent to a license under 18 U.S.C. § 1033. That Agreed Entry recites that "supporting documentation showed that Stanfill was convicted of a Felony for Theft on September 13, 1995," and Stanfill signed the Agreed Entry on April 1, 2013.⁴
19. Moreover, Background Questions 1A and 1B both inquire whether the applicant has "had a judgment withheld or deferred," which would require Stanfill to answer "Yes" because he had a suspended imposition of sentence (a judgment withheld or deferred). If Stanfill had failed to disclose his Class C Felony of Stealing solely because he erroneously remembered it as having been a misdemeanor, he would not have answered "No" to Background Question 1A, which asks about misdemeanors.
20. It is inferable, and is hereby found as fact, that Stanfill failed to disclose in his Application that he pleaded guilty to the Class C Felony of Stealing and received a suspended imposition of sentence, in order to minimize to the Director the extent of his criminal history, and, accordingly, in order to improve the chances that the Director would approve his Application and issue him an insurance producer license.
21. It is inferable, and is hereby found as fact, that Stanfill falsely answered "No" to Background Question No. 2 and failed to disclose in his Application that he had been involved in an administrative proceeding regarding a professional or occupational license or registration, in order to falsely represent to the Director that he had never been involved in an administrative proceeding regarding a professional or occupational license or registration, and, accordingly, in order to improve the chances

³ *In the Matter of: Insurance Agent License Application of Jerry Lee Stanfill*, Before the Indiana Commissioner of Insurance, Cause No. 11682-AD12-1203-063.

⁴ Despite seeking and receiving 18 U.S.C. § 1033 consent from the Indiana Commissioner because of his felony, Stanfill did not apply for such consent in Missouri.

that the Director would approve his Application and issue him an insurance producer license.

CONCLUSIONS OF LAW

22. Section 375.141 provides, in 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:
 - (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;

* * *
 - (6) Having been convicted of a felony or crime involving moral turpitude[.]
23. 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).
24. The Director may refuse to issue Stanfill an individual insurance producer license under § 375.141.1(1) because Stanfill intentionally provided materially incorrect, misleading, incomplete or untrue information on his Application when he:
- a. Failed to disclose in his Application that he pleaded guilty to the Class C Felony of Stealing and received a suspended imposition of sentence; and
 - b. Falsely answered "No" to Background Question No. 2 and failed to disclose in his Application that he had been involved in an administrative proceeding regarding a professional or occupational license or registration, in order to falsely represent to the Director that he had never been involved in an administrative proceeding regarding a professional or occupational license or registration.
25. The Director also may refuse to issue Stanfill an individual insurance producer license under § 375.141.1(3) because Stanfill attempted to obtain a license through material misrepresentation or fraud when he:

- a. Failed to disclose in his Application that he pleaded guilty to the Class C Felony of Stealing and received a suspended imposition of sentence, in order to minimize to the Director the extent of his criminal history, and, accordingly, in order to improve the chances that the Director would approve his Application and issue him an insurance producer license; and
 - b. Falsely answered "No" to Background Question No. 2 and failed to disclose in his Application that he had been involved in an administrative proceeding regarding a professional or occupational license or registration, in order to falsely represent to the Director that he had never been involved in an administrative proceeding regarding a professional or occupational license or registration, and, accordingly, in order to improve the chances that the Director would approve his Application and issue him an insurance producer license.
26. The Director also may refuse to issue Stanfill an individual insurance producer license under § 375.141.1(6) because Stanfill has been convicted of a felony:
- a. The Class C Felony of Possession of a Controlled Substance Except 35 Grams or Less of Marijuana, in violation of § 195.202, RSMo.
27. The Director has considered Stanfill's history and all of the circumstances surrounding Stanfill's Application. Issuing Stanfill an individual insurance producer license would not be in the interest of the public. The Director exercises his discretion and refuses to issue an individual insurance producer license to Stanfill.
35. This Order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that the individual insurance producer license application of **Jerry L. Stanfill** is hereby **REFUSED**.

SO ORDERED.

WITNESS MY HAND THIS 26th DAY OF JUNE, 2014.





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 30th day of June, 2014, a copy of the foregoing Order and Notice was served upon the Applicant in this matter by certified mail at the following address:

Jerry L. Stanfill
1417 Walnut Court
Festus, Missouri 63028

Certified No. 7009 3410 0001 9254 8087



Angie Gross
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