

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

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

In re:)
)
KAYLA N. WILLIAMS,) Case No. 161026469C
)
Respondent.)

CONSENT ORDER

Chlora Lindley-Myers, Director of the Department of Insurance, Financial Institutions and Professional Registration, takes up the above-referenced matter for consideration and disposition. The Consumer Affairs Division, through counsel Cheryl C. Nield, and Respondent Kayla N. Williams, have reached a settlement in this matter and Respondent has consented to the issuance of this Consent Order.

Findings of Fact

1. Chlora Lindley-Myers is the duly appointed Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration

("Department") whose duties, pursuant to Chapters 374 and 375 RSMo¹, include supervision, regulation, and discipline of insurance producers.

2. The Consumer Affairs Division of the Department ("Division") has the duty of conducting investigations into the unfair or unlawful acts of insurance producers and companies under the insurance laws of this state and has been authorized by the Director to initiate this action before the Director to enforce the insurance laws of this state.

3. The Department issued Respondent Kayla N. Williams ("Williams") an insurance producer license (No. 8370532) on February 17, 2016.

4. The Division seeks to discipline Respondent Williams' insurance producer license and alleges the following:

a. On March 19, 1998, Williams was charged by indictment with seven counts of the Class C Felony of Forgery, in violation of § 570.090.² On October 30, 1998, Williams pled guilty to the charges. Also on October 30, 1998, the court suspended imposition of sentence on each of the seven counts, and placed Williams on supervised probation for five years. On January 5, 2000, the court revoked Williams' probation and ordered her to serve seven years in the Missouri Department of Corrections on each count, with those sentences to be served concurrently. *State v. Kayla N. Williams*, St. Louis Co. Cir. Ct., Case No. 2198R-00287-01.

¹ All civil statutory references are to RSMo Supp. 2013 unless otherwise noted.

² All criminal statutory citations are to that version of RSMo in effect at the time of the crime.

b. On March 25, 1999, Williams was charged by indictment with one count of the Class C Felony of Forgery, in violation of § 570.090, and one count of the Class A Misdemeanor of Stealing, in violation of § 570.030. On June 10, 1999, Williams pled guilty to the charges. Also on June 10, 1999, the court sentenced Williams to seven years in the Missouri Department of Corrections on the Forgery count, with execution of that sentence suspended, and ordered Williams to complete five years of supervised probation. The court also sentenced Williams to one year on the Stealing count, with execution of that sentence suspended, to be served concurrently. On January 3, 2000, the court revoked Williams' probation and ordered her seven-year sentence and her one-year sentence both executed, with those sentences to be served concurrently. *State v. Kayla N. Williams*, St. Louis Co. Cir. Ct., Case No. 2199R-01038-01.

c. On March 25, 1999, Williams was charged by indictment with one count of the Class C Felony of Forgery, in violation of § 570.090. On June 10, 1999, Williams pled guilty to the charge. Also on June 10, 1999, the court sentenced Williams to seven years in the Missouri Department of Corrections, with execution of that sentence suspended, and ordered Williams to complete five years of supervised probation. On January 5, 2000, the court revoked Williams' probation and ordered her seven-year sentence executed, with that sentence to be served concurrently. *State v. Kayla N. Williams*, St. Louis Co. Cir. Ct., Case No. 2199R-01116-01.

d. On March 25, 1999, Williams was charged by indictment with two counts of the Class C Felony of Stealing a Credit Device, in violation of

§ 570.030, and one count of the Class C Felony of Forgery, in violation of § 570.090. On June 10, 1999, Williams pled guilty to the charges. Also on June 10, 1999, the court sentenced Williams to seven years in the Missouri Department of Corrections on each count, with execution of the sentences suspended, and five years of supervised probation. On January 5, 2000, the court revoked Williams' probation and ordered her seven-year sentences on each of the three counts executed, with those sentences to be served concurrently. *State v. Kayla N. Williams*, St. Louis Co. Cir. Ct., Case No. 2199R-01272-01.

e. On September 9, 1999, Williams was charged by indictment with two counts of the Class C Felony of Forgery, in violation of § 570.090. On December 7, 1999, Williams pled guilty to the charges. On January 5, 2000, the court sentenced Williams to seven years in the Missouri Department of Corrections on each count, with those sentences to be served concurrently. *State v. Kayla N. Williams*, St. Louis Co. Cir. Ct., Case No. 2199R-3244-01.

f. On June 27, 2002, Williams was charged by information with one count of the Class C Felony of Stealing, in violation of § 570.030, and one count of the Class C Felony of Forgery, in violation of § 570.090. On August 15, 2002, Williams pled guilty to the charges. Also on August 15, 2002, the court sentenced to Williams, as a persistent offender, to eight years in the Missouri Department of Corrections on each count, with those sentences to be served concurrently. *State v. Kayla N. Williams*, St. Louis Co. Cir. Ct., Case No. 2102R-02629-01.

g. On June 27, 2002, Williams was charged by information with one count of the Class C Felony of Forgery, in violation of § 570.090. On August 15, 2002, Williams pled guilty to the charge. Also on August 15, 2002, the court sentenced Williams as a persistent offender to eight years in the Missouri Department of Corrections, with that sentence to be served concurrently. *State v. Kayla N. Williams*, St. Louis Co. Cir. Ct., Case No. 2102R-02702-01.

h. On October 9, 2002, Williams was charged by indictment with one count of the Class C Felony of Stealing, in violation of § 570.030. On August 21, 2003, Williams pled guilty to the charge. Also on August 21, 2003, the court sentenced Williams to five years in the Missouri Department of Corrections, with that sentence to be served concurrently. *State v. Kayla N. Williams*, St. Louis Co. Cir. Ct., Case No. 2102R-03724-01.

i. On November 28, 2007, Williams was charged by indictment with two counts of the Class C Felony of Forgery, in violation of § 570.090. On January 3, 2008, Williams pled guilty to the charges. Also on January 3, 2008, the court sentenced Williams to six years in the Missouri Department of Corrections on each count, with those sentences to be served concurrently. *State v. Kayla N. Williams*, St. Louis Co. Cir. Ct., Case No. 2107R-02240-01.

j. On or about February 17, 2016, Williams submitted a resident license application (“Application”) to the Department.

k. Background Question #1a of the Application asks, in part: “Have you ever been convicted of a misdemeanor, had a judgment withheld or deferred, or are you currently charged with committing a misdemeanor?”

- l. Williams answered "No" to Background Question #1a. Williams did not disclose her misdemeanor criminal history in the Application.
- m. Background Question #1b of the Application asks, in part: "Have you ever been convicted of a felony, had a judgment withheld or deferred, or are you currently charged with committing a felony?"
- n. Williams answered "No" to Background Question #1b. Williams did not disclose her felony criminal history in the Application.
- o. Based on her Application, which failed to disclose her numerous criminal convictions, the Department issued Williams an insurance producer license effective February 17, 2016 (License No. 8370532).
- p. On or about June 29, 2016, Williams sent a letter to the Department. In it, Williams changed her answer to Background Question #1b from "no" to "yes." Williams explained, verbatim, as follows:

I applied for a State of Missouri Insurance license in February 2016. One of the questions on the application was if I was convict of a felony. Which on that question I checked no. I was under the impression that if a case was more than 7 years old I could check no. The case in question was in 1999. More than 7 years. I was just informed that I was wrong. With that being said I need to correct that answer on my application from no to yes. Once the necessary correction has been made. I need a letter proving that it was changed and approved. I apologies for any troubles that I may caused.

- q. Upon receipt of Williams' letter, the Division investigated Williams' background and found the numerous convictions listed above.
 - r. On August 12, 2016, Division Special Investigator Karen Crutchfield contacted Williams by phone and asked if Williams would be interested in surrendering her license in light of Williams' many non-disclosed felony and misdemeanor convictions.
 - s. Williams agreed to surrender her license by signing a Voluntary License Surrender Form on September 6, 2016. On October 12, 2016, then-Director John M. Huff entered a Voluntary License Surrender Order.
5. In light of these facts, Williams' insurance producer license is subject to discipline on the following grounds:
- a. Williams' failure to disclose her numerous criminal convictions (20 felony convictions and one misdemeanor conviction) on her Application is grounds to discipline her license under § 375.141.1(1) because Williams intentionally provided materially incorrect, misleading, incomplete or untrue information in the license application.
 - b. Williams' failure to disclose her numerous criminal convictions on her Application is grounds to discipline her license under § 375.141.1(3) because Williams obtained her insurance producer license through material misrepresentation or fraud.
 - c. Williams' felony convictions, which are also crimes involving moral turpitude, are grounds to discipline her license under § 375.141.1(6).
6. Section 375.141 provides, in relevant 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; [or]

* * *

(6) Having been convicted of a felony or crime involving moral turpitude[.]

7. The fact that Williams voluntarily surrendered her license does not deprive the Director of jurisdiction to discipline the license. *See* § 375.141.4.

8. On or about August 28, 2017, counsel for the Division provided a written description of the specific conduct for which discipline was sought and a citation to the law and rules allegedly violated, together with copies of any documents upon which it based the allegations, and the Division's settlement offer, namely, this Consent Order, in accordance with § 621.045.4(1). Counsel for the Division further advised Williams that she had sixty (60) days to review the relevant documents and consider the proposed settlement offer in accordance with § 621.045.4(2).

9. Williams admits to the facts alleged by the Division and outlined in this Consent Order.

10. Williams agrees that these facts constitute grounds to discipline her insurance producer license pursuant to § 375.141.1 (1), (3), and (6).

11. Williams acknowledges that she understands she has the right to consult an attorney at her own expense.

12. Williams further acknowledges that she has been advised that she may, either at the time the Consent Order is signed by all parties, or within fifteen (15) days thereafter, submit the Consent Order to the Administrative Hearing Commission for determination that the facts agreed to by the parties to the Consent Order constitute grounds for disciplining Williams' insurance producer license.

13. Except as provided in paragraph 12, above, Williams stipulates and agrees to waive any rights that she may have to a hearing before the Administrative Hearing Commission or the Director and any rights to seek judicial review or other challenge or contest of the terms and conditions of this Consent Order and forever release and hold harmless the Department, the Director, his agents, and the Division from all liability and claims arising out of, pertaining to, or relating to this matter.

14. Williams acknowledges and understands that this Consent Order is an administrative action and will be reported by the Department to other states. Williams further acknowledges and understands that this administrative action should be disclosed on future applications and renewal applications and that it is her responsibility to comply with the reporting requirements of each state in which she is licensed.

15. Each signatory to this Consent Order certifies by signing that he or she is fully authorized, in his or her own capacity, or by the named party he or she represents, to accept the terms and provisions of this Consent Order in their entirety, and agrees, in

his or her personal or representational capacity, to be bound by the terms of this Consent Order.

Conclusions of Law

16. The allegations raised by the Division, and admitted to herein by Williams, are grounds to discipline Williams' insurance producer license pursuant to § 375.141.1(1), (3), and (6).

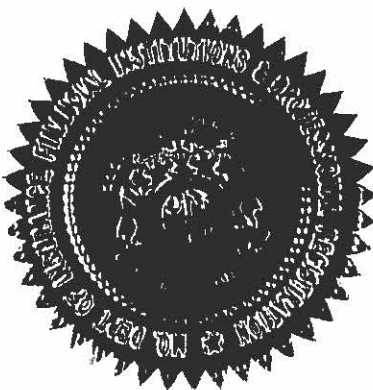
17. The Director is authorized to settle this matter and issue this Consent Order in the public interest pursuant to §§ 374.046, 621.045, and 536.060.

18. The terms set forth in this Consent Order are an appropriate disposition of this matter and entry of this Consent Order is in the public interest.

ORDER

IT IS ORDERED THAT Respondent Kayla N. Williams' insurance producer license (No. 8370532) is hereby **REVOKED**.

SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS 12th
DAY OF December, 2017.



Chlora Lindley-Myers

CHLORA LINDLEY-MYERS, Director
Missouri Department of Insurance, Financial
Institutions and Professional Registration

CONSENT AND WAIVER OF HEARING

The undersigned persons understand and acknowledge that Respondent Kayla N. Williams has a right to a hearing, but that Respondent waived the hearing and consented to the issuance of this Consent Order.

Date _____

Date _____