



State of Missouri

DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS & PROFESSIONAL REGISTRATION

IN THE MATTER OF:

Gregory Lee Kempton,

Renewal Applicant.

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Case No. 10-1118696C

REFUSAL TO RENEW INSURANCE PRODUCER LICENSE

On December 23, 2010, Kristen E. Paulsmeyer, Enforcement Counsel and Counsel to the Consumer Affairs Division, submitted a Petition to the Director alleging cause for refusing to renew the non-resident insurance producer license of Gregory Lee Kempton. 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:

FINDINGS OF FACT

1. Gregory Lee Kempton ("Kempton") is an individual residing in Florida, whose mailing address of record is 23742 Oakside Blvd., Lutz, Florida, 33559-6940.
2. The Department of Insurance, Financial Institutions and Professional Registration ("Department") originally issued to Kempton a non-resident insurance producer license (No. 0130295) on September 10, 2001; the license expired on September 10, 2009.
3. On or about October 5, 2009, Kempton returned to the Department the "producer termination notice" which the Department had sent to Kempton on September 22, 2009. By returning the notice and including a check for the renewal and late fees, Kempton indicated his desire to renew his license.
4. The following disciplinary actions were taken against Kempton by other states:
 - a. On or about August 15, 2005, the Colorado Division of Insurance ordered Kempton to pay a civil monetary penalty in the amount of \$2,500.00 for providing incorrect, incomplete, misleading and materially untrue information on his 2002 application for license continuation and failing to respond to an inquiry. Kempton also failed to file an answer or otherwise participate in the disciplinary proceeding. *Final Agency Order, In the Matter of the Disciplinary*

Proceedings against Gregory J. Kempton, Case No. IN 2005-0009, Order No. 0-06-034.

- b. On April 17, 2007, Kempton entered into a Consent Order with the Insurance Commissioner of the Commonwealth of Pennsylvania for demonstrating a lack of general fitness, competence or reliability sufficient to satisfy the department that licensee is worthy of licensure and failing to report to the department any administrative action taken against him in another jurisdiction or by another governmental agency in the Commonwealth within 30 days of the final disposition of the matter. The Consent Order included a \$1,000.00 penalty. *In Re: Gregory L. Kempton*, Docket No. CO07-03-009.
- c. On July 9, 2008, the Ohio Department of Insurance revoked Kempton's license because Kempton's insurance agent license was revoked in another state. *Findings, Order and Journal Entry, In Re: Suitability of Gregory L. Kempton*.
- d. On August 28, 2008, Kempton entered into a Consent Order with the Office of Commissioner of Insurance, State of Georgia, for misrepresenting or concealing any material fact in any application for a license or on any form filed with the Commissioner, showing lack of trustworthiness or lack of competence to act as a licensee, and having a disciplinary action taken against him by a lawful licensing authority. The Consent Order included a \$300.00 fine. *In the Matter of Gregory Kempton*, Case No. 2008-1614.
5. Kempton failed to report to the Department the disciplinary actions taken against him in Colorado, Pennsylvania, Ohio, and Georgia.
6. On or about October 15, 2009, the Department sent Kempton a letter stating that his license renewal application required additional information, and specifically requested a detailed letter of explanation regarding the regulatory actions of Georgia, Ohio, Pennsylvania and Colorado.
7. In response to the Department's letter of October 29, 2009, Kempton stated in part:

These actions all revolves [sic] around a single 1994/95 action from my home state of Florida. Thereafter, I failed to notify on renewal applications that this occurred. Which in turn allowed some states to fine me for failure to disclose the actions of these states. This now has snow balled into several states. Missouri was notified of the original State of Florida action and subsequent actions from other states about failing to notify each other state. I am licensed in over 30 different states. I have inadvertently failed to notify some states. I have enclosed copies of these actions for your review.

In this case with Ohio & Colorado, I failed to respond to a hearing request and my license was revoked. I am in the process of getting this resolved with them and my license re instated. I hold licenses in GA and PA.

CONCLUSIONS OF LAW

8. Section 375.141, RSMo (Supp. 2009), 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:

* * *

(2) Violating any insurance laws, or violating any regulation, subpoena or order of the director or of another insurance commissioner in any other state;

* * *

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

* * *

6. An insurance producer shall report to the director any administrative action taken against the producer in another jurisdiction or by another governmental agency in this state within thirty days of the final disposition of the matter. This report shall include a copy of the order, consent order or other relevant legal documents.

9. The principal purpose of § 375.141, RSMo, 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).
10. Renewal of Kempton's non-resident insurance producer license may be refused pursuant to § 375.141.1(2) RSMo (Supp. 2009) for violating the insurance laws of Colorado, Pennsylvania, Ohio, and Georgia.
11. Renewal of Kempton's non-resident insurance producer license may be refused pursuant to § 375.141.1(9), RSMo (Supp. 2009), for having his insurance producer license, or its equivalent, revoked by the Ohio Department of Insurance.
12. Renewal of Kempton's non-resident insurance producer license may be refused pursuant to § 375.141.1(2) RSMo (Supp. 2009) for violating § 375.141.6 by failing to report to the Director any administrative action taken against the producer in another

jurisdiction or by another governmental agency in this state within thirty days of the final disposition of the matter. Kempton failed to report to the Department the disciplinary actions taken against him in Colorado, Pennsylvania, Ohio, and Georgia.

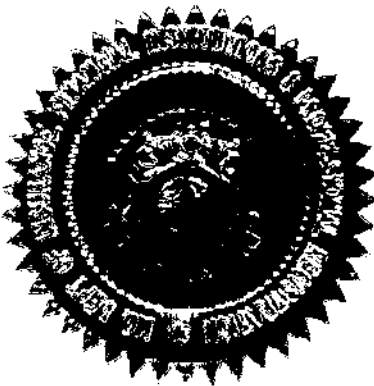
13. In applying his discretion, the Director has considered the history of Kempton and all of the circumstances surrounding Kempton's Application. Other states have taken administrative action against Kempton including revocation. Kempton failed to report these administrative actions to the Department. Kempton's history demonstrates his failure to comply with other states' laws and raises questions of his ability to comply with Missouri law and whether he can meet the significant responsibilities required of a licensed insurance producer. Renewal of Kempton's non-resident insurance producer license would not be in the public interest, and, accordingly, the Director exercises his discretion by summarily refusing to renew Kempton's non-resident insurance producer license.

14. The requested order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that renewal of the non-resident insurance producer license of Gregory Lee Kempton is hereby summarily **REFUSED**.

SO ORDERED.



WITNESS MY HAND THIS 23RD DAY OF DECEMBER, 2010.


JOHN M. HUFF
DIRECTOR

NOTICE

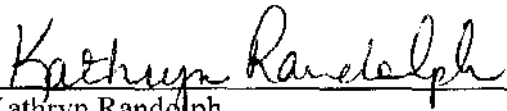
TO: Applicant and any unnamed persons aggrieved by this Order:

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.

CERTIFICATE OF SERVICE

I hereby certify that on this 3rd day of January, 2011, a copy of the foregoing Notice and Order was served upon the Applicant in this matter by certified mail No. 7002046000307018734

Gregory Lee Kempton
23742 Oakside Blvd.
Lutz, Florida 33559-6940



Kathryn Randolph
Paralegal