

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

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

In the Matter of:)
)
MAURICE CARLOS HAMMONDS) **Case No. 170807340C**
)
Applicant.)

CONSENT ORDER

Chlora Lindley-Myers, Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration, takes up the above matter for consideration and disposition. The Consumer Affairs Division, through legal counsel John Conrace, and Maurice Carlos Hammonds have reached a settlement in this matter and have consented to the issuance of this Consent Order.

1. Chlora Lindley-Myers is the duly appointed Director of the Missouri Department of Insurance, Financial Institutions and Professional Registration (“Director” of the “Department”) whose duties, pursuant to Chapters 374, 375, and 385, RSMo,¹ include the licensure, supervision, regulation, and discipline of motor vehicle extended service contract (“MVESC”) producers.

¹ All civil statutory references are to the Revised Statutes of Missouri (2000) as updated by the 2013 Supplement, unless otherwise noted.

2. The Consumer Affairs Division (“Division”) of the Department has the duty of conducting investigations into the qualifications of MVESC license applicants under the laws of this state and has been authorized by the Director to investigate and initiate actions before the Director to enforce the laws of this state, including MVESC producer license application refusals.

3. On March 28, 2008, Hammonds entered an *Alford* plea for, and was convicted of, two (2) counts of Theft/Stealing (Value of Property or Services is \$500 or More But Less Than \$25,000), each a Class C Felony, in violation of § 570.030, RSMo.² The court sentenced Hammonds to one (1) year incarceration on each count, to be served concurrently. *State v. Maurice C. Hammond*, St. Louis Co. Cir. Ct., Case No. 07SL-CR03780-01; *State v. Maurice C. Hammond*, St. Louis Co. Cir. Ct., Case No. 07SL-CR04225-01.

4. On May 9, 2017, the Department received Hammonds’s completed application for an MVESC producer license (“Application”).

5. The “Applicant’s Certification and Attestation” section of the Application states, in relevant part:

1. I hereby certify, under penalty of perjury, that all of the information submitted in this application and attachments is true and complete. I am aware that submitting false information or omitting pertinent or material information in connection with this application is grounds for license revocation or denial of the license and may subject me to civil or criminal penalties.

* * *

5. I further certify that, under penalty of perjury, that a) I have no child support obligation, b) I have a child support obligation and I am currently in compliance with that obligation, or c) I have a child support obligation that is in arrears, I am in compliance with a repayment plan to cure the arrears, and I have provided all information

² All criminal statutory references are to those contained in the version of the Revised Statutes of Missouri under which the court rendered judgment.

and documentation requested in Background Information Question [7].

1. Background Information Question No. 1 of the Application asks the following:

Have you ever been convicted of a crime, had a judgment withheld or deferred, received a suspended imposition of sentence (“SIS”) or suspended execution of sentence (“SES”), or are you currently charged with committing a crime?

“Crime” includes a misdemeanor, felony, or a military offense. You may exclude any of the following if they are/were misdemeanor traffic citations or misdemeanors: driving under the influence (DUI), driving while intoxicated (DWI), driving without a license, reckless driving, or driving with a suspended or revoked license. You may also exclude misdemeanor juvenile convictions.

“Convicted” includes, but is not limited to, having been found guilty by verdict of a judge or jury, having entered a plea of guilty or nolo contendere, having entered an Alford Plea, or having been given probation, a suspended sentence, or a fine.

“Had a judgment withheld or deferred” includes circumstances in which a guilty plea was entered and/or a finding of guilt was made, but imposition or execution of the sentence was suspended (for instance, the defendant was given a suspended imposition of sentence or a suspended execution of sentence – sometimes called an “SIS” or “SES”).

Unless excluded by the language above, you must disclose convictions that have been expunged.

If you answer yes, you must attach to this application:

- a) a written statement explaining the circumstances of each incident,
- b) a certified copy of the charging document, and
- c) a certified copy of the official document which demonstrates the resolution of the charges or any final judgment.

6. Hammonds answered “Yes” to Background Information Question No. 1 and disclosed his convictions in *State v. Maurice C. Hammond*, St. Louis Co. Cir. Ct., Case No. 07SL-CR03780-01 and *State v. Maurice C. Hammond*, St. Louis Co. Cir. Ct., Case No. 07SL-CR04225-01, as required.

7. Background Question No. 7 of the Application asks:

Do you currently have or have you had a child support obligation?

If you answer yes:

- a) are you in arrearage?
- b) by how many months are you in arrearage?
- c) what is the total amount of your arrearage?
- d) are you currently subject to a repayment agreement to cure the arrearage? (If you answer yes, provide documentation showing an approved repayment plan from the appropriate state child support agency.)
- e) are you in compliance with said repayment agreement? (If you answer yes, provide documentation showing proof of current payments from the appropriate state child support agency.)
- f) are you the subject of a child support related subpoena/warrant? (If you answer yes, provide documentation showing proof of current payments or an approved repayment plan from the appropriate state child support agency.)
- g) have you ever been convicted of a misdemeanor or felony for failure to pay child support?

8. In response to Background Information Question No. 7, Hammonds answered that he has a child support obligation, but indicated that he was not in arrearage, not subject to a repayment agreement to cure an arrearage, not the subject of a child support related subpoena or warrant, and has not been convicted of a misdemeanor or felony for failure to pay child support.

9. Contrary to Hammonds's response, during his investigation, Special Investigator Andrew Engler ("Special Investigator Engler"), of the Division, discovered that at the time Hammonds submitted his Application he had two (2) child support obligations which were both in arrears. *See* Child Support Enforcement, Missouri Department of Social Services, Case No. 30787858; Child Support Enforcement, Missouri Department of Social Services, Case No. 80849013.

10. On June 8, 2017, after reviewing Hammonds's Application, his child support obligation, and his corresponding arrears, Special Investigator Engler sent an inquiry letter to Hammonds. The inquiry letter requested Hammonds explain the arrears and his failure to

disclose them on his Application. The inquiry letter further requested a response within twenty (20) days, and warned Hammonds that a failure to respond could result in the Department refusing to issue him an MVEESC producer license.

11. On June 19, 2017, the Department received a response from Hammonds, which stated, verbatim, in relevant part:

I would like to thank you in advance for allowing me this opportunity to explain the reasoning behind my question selection.

I, Maurice Hammonds agree to the information stating that I currently have two child support cases . I was under the impression that due to me filing for disability back in 2012 that my child support payments were in a holding status that would not jeopardize me. Due to being denied for disability and appealing, I was not aware that my arrearage status would count against me. I am seeking employment currently due to the unknown status of my disability appeal. Once, employed I have plans to adhere to my child support regulations. I am currently an active parent in both of my children's lives.

Unfortunately, there are pending concerns that are being addressed regarding the amount owed for child support, due to being the custodial parent for both of my children in the past. This concern is currently being addressed with the Family Support System. I love my children very much and want a fresh start at employment to better provide for my family.

12. Hammonds acknowledges and understands that pursuant to § 385.209.1(3), the Director may refuse to issue an MVEESC license to Hammonds because Hammonds attempted to obtain a license through material misrepresentation or fraud when he failed to disclose his arrearage for two (2) child support obligations in response to Background Information Question No. 7 of the Application.

13. Hammonds acknowledges and understands that pursuant to § 385.209.1(5), the Director may refuse to issue an MVEESC license to Hammonds because Hammonds has been convicted of two (2) felonies.

14. Hammonds acknowledges and understands that each felony conviction is a separate and sufficient ground for refusal pursuant to § 385.209.1(6).

15. Hammonds acknowledges and understands that pursuant to § 385.209.1(12) the Director may refuse to issue an MVESC license to Hammonds because Hammonds has failed to comply with two (2) administrative or court orders imposing child support obligations. *See* Child Support Enforcement, Missouri Department of Social Services, Case No. 30787858; Child Support Enforcement, Missouri Department of Social Services, Case No. 80849013.

16. Hammonds acknowledges and understands that each instance in which he failed to comply with an administrative or court order imposing a child support obligation is a separate and sufficient ground for refusal pursuant to § 385.209.1(12).

17. Hammonds acknowledges and understands that he has the right to consult counsel at his own expense.

18. Hammonds stipulates and agrees to waive any waivable rights that he 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 releases and holds harmless the Department, the Director and her agents, and the Division from all liability and claims arising out of, pertaining to, or relating to this matter.

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

20. 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

21. Section 385.209 provides, in relevant 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:

* * *

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

* * *

(6) Been convicted of a felony; [or]

* * *

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

22. The facts admitted herein by Hammonds provide a ground upon which to refuse his MVESC producer license application pursuant to § 385.209.1(3).

23. The facts admitted herein by Hammonds provide a ground upon which to refuse his MVESC producer license application pursuant to § 385.209.1(5).

24. The facts admitted herein by Hammonds provide a ground upon which to refuse his MVESC producer license application pursuant to § 375.141.1(12).

25. The Director may impose orders in the public interest under § 374.046.

26. 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 the Department will issue a resident insurance producer license to Maurice Carlos Hammonds, subject to the conditions set forth herein and the following special conditions:

1. Maurice Carlos Hammonds shall report to the Consumer Affairs Division any violation of or failure to comply with Missouri insurance regulations and Missouri insurance laws, including those set forth in Chapters 374, 375, or 382 within five (5) business days of such violation or failure to comply.

2. Maurice Carlos Hammonds shall respond to all inquiries from the Consumer Affairs Division in accordance with 20 CSR 100-4.100(2)(A).

3. If a consumer complaint is communicated directly to Maurice Carlos Hammonds, Hammonds shall send the Department a copy of the complaint and a copy of Hammonds's response to the consumer within five (5) business days of receipt of the consumer complaint.

4. Maurice Carlos Hammonds shall report to the Consumer Affairs Division any and all of the following incidents involving Hammonds: guilty plea, *Alford* plea, nolo contendere plea, finding of guilt, or conviction concerning a felony or misdemeanor. Hammonds shall report all such incidents to the Consumer Affairs Division within five (5) business days of their occurrence.

5. Maurice Carlos Hammonds shall report to the Consumer Affairs Division any administrative action undertaken or initiated against Hammonds in another jurisdiction or by

another state or federal governmental agency in this state within five (5) business days after Hammonds receives notification of the initiation of such administrative action.

6. The special conditions listed in the immediately preceding paragraphs 1 through 5 will expire upon the earlier of the expiration or renewal of Maurice Carlos Hammonds's two (2) year MVESC producer license or the refusal, surrender, or revocation of Hammonds's MVESC producer license.

IT IS FURTHER ORDERED that, for two (2) years subsequent to the date of this executed Consent Order, Maurice Carlos Hammonds will voluntarily surrender his MVESC producer license to the Department within five (5) business days of Hammonds's entry of a guilty plea, *Alford* plea, *nolo contendere* plea, being found guilty, or being convicted of a felony, regardless of whether any sentence is suspended or executed.

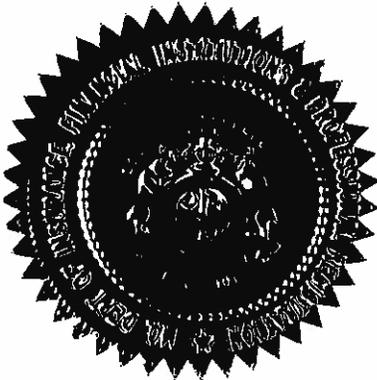
IT IS FURTHER ORDERED that, if Maurice Carlos Hammonds maintains his MVESC producer license and complies with the terms of this Consent Order, Hammonds may apply to renew his MVESC producer license and the Director shall consider any renewal application in accordance with Chapters 374, 375, and 385, but without regard to:

- a. Hammonds's failure to disclose his arrearage for two (2) child support obligations on the Application, as required by the Application (*see* Child Support Enforcement, Missouri Department of Social Services, Case No. 30787858; Child Support Enforcement, Missouri Department of Social Services, Case No. 80849013);
- b. Hammonds's failure to comply with administrative or court orders imposing two (2) child support obligations, prior to May 9, 2017, the date of the Department's receipt of Hammonds's completed Application (*see* Child Support Enforcement,

Missouri Department of Social Services, Case No. 30787858; Child Support Enforcement, Missouri Department of Social Services, Case No. 80849013); and
c. Hammonds's prior convictions, or the underlying conduct, in *State v. Maurice C. Hammond*, St. Louis Co. Cir. Ct., Case No. 07SL-CR03780-01 and *State v. Maurice C. Hammond*, St. Louis Co. Cir. Ct., Case No. 07SL-CR04225-01.

IT IS FINALLY ORDERED that the Director may pursue additional legal remedies, as determined appropriate by the Director, and without limitation, as authorized by Chapters 374, 375, and 385 including remedies for violation of, or failure to comply with, the terms of this Consent Order.

SO ORDERED, SIGNED AND OFFICIAL SEAL AFFIXED THIS 13th 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 Maurice Carlos Hammonds may have a right to a hearing, but that Maurice Carlos Hammonds has waived any hearing and consented to the issuance of this Consent Order.

Maurice C. Hammonds

Maurice Carlos Hammonds, Applicant
4127 Edmundson Road
St. Louis, Missouri 63134

12/04/2017
Date

~~_____~~
Counsel for Applicant

~~Name: _____~~

~~Missouri Bar No. _____~~

~~Address: _____~~

~~Telephone: _____~~

~~Facsimile: _____~~

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Date

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12/12/2017
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