



FINAL ORDER
EFFECTIVE
03-27-2018

State of Missouri
DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND
PROFESSIONAL REGISTRATION

IN RE:)
)
MICHAEL JEFFREY SCHNEBELEN, JR.,) Case No. 171215611C
)
Applicant.)

ORDER REFUSING TO ISSUE MOTOR VEHICLE
EXTENDED SERVICE CONTRACT PRODUCER LICENSE

On February 2, 2018, the Division of Consumer Affairs (“Division”), through counsel, submitted a Petition to the Director of the Department of Insurance, Financial Institutions and Professional Registration (“Director” of the “Department”) alleging cause for refusing to issue a motor vehicle extended service contract producer license to Michael Jeffrey Schnebelen, Jr. After reviewing the Petition, the Investigative Report, and relevant documents, the Director issues the following findings of fact, conclusions of law, and order:

FINDINGS OF FACT

1. Michael Jeffrey Schnebelen, Jr.¹ (“Schnebelen”) is a Missouri resident with a residential address of 60 Golden Ridge Ct., St. Charles, Missouri 63304.
2. On October 23, 2017, the Department of Insurance, Financial Institutions and Professional Registration (“Department”) received Schnebelen’s Application for Motor Vehicle Extended Service Contract Producer License (“Application”).
3. 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.

* * *

¹ Although not indicated on his Application, Schnebelen confirmed by telephone to Special Investigator Andrew Engler, Consumer Affairs Division, that he is Michael Jeffrey Schnebelen, Jr.

5. I further certify, 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 and documentation requested in Background Information Question 36.7.
4. Schnebelen accepted the "Applicant's Certification and Attestation" section by signing the Application under oath and before a notary public.
5. Background 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 copy of the charging document, and
- c) a copy of the official document which demonstrates the resolution of the charges or any final judgment.

6. Schnebelen answered "Yes" in response to Background Question No. 1 of the Application and disclosed and provided certified court records for the following felony convictions:

- a. On January 6, 2006, Schnebelen pled guilty to, and was convicted of, two (2) counts of Stealing, Class C Felonies, in violation of § 570.030.² The court sentenced Schnebelen to two (2) consecutive four (4) year terms of incarceration. The court suspended the execution of the sentence and placed Schnebelen on five (5) years' supervised probation. On June 8, 2011, the court revoked Schnebelen's probation and ordered Schnebelen to serve 120 days' shock time with the Department of Corrections. Schnebelen completed probation on October 16, 2014. *State v. Michael Jeffrey Schnebelen*, St. Charles Co. Cir. Ct., Case No. 0511-CR02866-01.
- b. In his explanation of the charges submitted with his Application, Schnebelen stated, in part:

I made a mistake when I was still a teenager while out drinking with friends in 2003. We were all underage and I had taken a card from one of the girls I was with to buy a few drinks at a gas station without asking first. I had never actually ended up buying anything with the card but it was still an egregious mistake. A prosecutor ended up filing charges a couple years later and the rest is in the file of what happened from then regarding the outcome.

7. The Information, alleging the stealing charges to which Schnebelen pled guilty, stated, in relevant part, as follows:

COUNT 1

The Prosecuting Attorney of the County of St. Charles, . . . charges that the defendant, MICHAEL JEFFREY SCHNEBELEN, in violation of Section 570.030, RSMo, committed the class C felony of stealing, . . . in that on or about April 23, 2005, in the County of St. Charles, . . . , the defendant appropriated a Capitol One Platinum Mastercard, a credit device, which property was owned by Jillian Hawkins, and the defendant appropriated such property without the consent of Jillian Hawkins and with the purpose to deprive her thereof.

² All Missouri criminal statutory references are to those contained in the version of the Revised Statutes of Missouri at the time the offenses were committed.

COUNT II

The Prosecuting Attorney of the County of St. Charles, . . . charges that the defendant, MICHAEL JEFFREY SCHNEBELEN, in violation of Section 570.030, RSMo, committed the class C felony of stealing, . . . in that on or about April 23, 2005, in the County of St. Charles, . . ., the defendant appropriated a Chase Platinum Mastercard, a credit device, which property was owned by Jennifer Hawkins, and the defendant appropriated such property without the consent of Jennifer Hawkins and with the purpose to deprive her thereof.

Information, State v. Michael Jeffrey Schnebelen, St. Charles Co. Cir. Ct., Case No. 0511-CR02866-01.

8. Schnebelen's explanation is contrary to the certified criminal records he provided for *State v. Michael Jeffrey Schnebelen*, St. Charles Co. Cir. Ct., Case No. 0511-CR02866-01.
 - a. The Information charged, and Schnebelen pled guilty to, two (2) counts of Stealing, Class C Felonies, that he committed in 2005, not in 2003.
 - b. Schnebelen pled guilty to two (2) counts of Stealing, Class C Felonies, arising from the theft of two (2) different credit cards from two (2) different persons.
 - c. Schnebelen committed the crimes on or about April 23, 2005, at which time Schnebelen was not a teenager but approximately 20 years and 10 months old, with his birthdate in early June 1984, as disclosed on his Application.
9. Schnebelen failed to disclose on his Application the following convictions:
 - a. On June 20, 2006, Schnebelen pled guilty to, and was convicted of Misdemeanor Shoplifting-Petty from Merchant Second or Subsequent in violation of Fla. Stat. § 812.015(2).³ The court sentenced Schnebelen to time served. *State of Florida v. Michael J. Schnebelen Jr.*, Palm Beach Co. Cir. Ct., Case No. 50-2006-MM-009523-AXXX-SB.
 - b. On June 21, 2006, Schnebelen pled guilty to, and was convicted of Felony Possession of Heroin in violation of Fla. Stat. § 893.13(6A) and Felony Battery on a Police Officer in violation of Fla. Stat. § 784.07(2B). The court sentenced Schnebelen to 30 days' jail time on each felony with the sentences to run concurrently. *State of Florida v. Michael J. Schnebelen Jr.*, Palm Beach Co. Cir. Ct., Case No. 50-2006-CF-006425-AXXX-MB.
 - c. On September 21, 2006, Schnebelen pled guilty to, and was convicted of Misdemeanor Battery-Touch or Strike in violation of Fla. Stat. § 784.03(1). The court sentenced Schnebelen to pay costs and fines and ordered Schnebelen to have

³ All Florida criminal statutory references are to those contained in the version of the Florida Statutes in effect at the time the offenses were committed.

no contact with the victim or his property and complete a collections agreement with the clerk. *State of Florida v. Michael J. Schnebelen Jr.*, Palm Beach Co. Cir. Ct., Case No. 50-2006-MM-015401-AXXX-SB.

- d. On October 12, 2006, Schnebelen pled guilty to, and was convicted of Misdemeanor Retail Theft in violation of Fla. Stat. § 812.015(1A). The court sentenced Schnebelen to two days' jail time. *State of Florida v. Michael J. Schnebelen Jr.*, Palm Beach Co. Cir. Ct. No., Case 50-2006-MM-099851-AXXX-SB.

10. On October 25, 2017, Special Investigator Andrew Engler, with the Consumer Affairs Division of the Department, mailed an inquiry letter to Schnebelen that stated an investigation revealed the misdemeanor convictions for Retail Theft, Shoplifting – Petty From Merchant Second or Subsequent and Battery – Touch or Strike and the felony convictions for Possession of Heroin and Battery on a Police Officer. The letter stated that Schnebelen failed to disclose these convictions on his Application. Special Investigator Engler asked Schnebelen to provide a statement explaining the circumstances surrounding the convictions and why he failed to disclose them on his Application. Special Investigator Engler asked Schnebelen for certified copies of the criminal records.

11. On October 30, 2017, Schnebelen telephoned Special Investigator Engler in response to a voicemail by Special Investigator Engler for Schnebelen to contact him. During the telephone conversation:

- a. Special Investigator Engler confirmed that Schnebelen is a “Jr.”
- b. Special Investigator Engler told Schnebelen that misdemeanor and felony convictions were discovered that Schnebelen did not disclose.
- c. Schnebelen said he hired a lawyer and thought those were expunged.
- d. Schnebelen said that there should be two cases for heroin and battery of a police officer.
- e. After Special Investigator Engler stated there are more convictions involving theft and battery, Schnebelen said there should not be another battery conviction and he did not disclose the theft convictions because he did not see them on Case.net.
- f. Schnebelen further stated that he did not disclose the convictions because he did not want to go out of his way to talk about those things.
- g. Special Investigator Engler told Schnebelen that he had mailed a letter with instructions to Schnebelen.

12. On November 16, 2017, Schnebelen called Special Investigator Engler and stated generally that he was having difficulty ordering the Florida court records and that his lawyer would not return his call. Special Investigator Engler told Schnebelen to print off the information and send it with his statement.

13. On November 17, 2017, Schnebelen faxed to the Division a letter and some documents from the Palm Beach County Circuit Court, Florida, eCaseView Online Case Data & Documents webpage for the Florida misdemeanor and felony convictions listed in Paragraph 9.

14. In a letter received by the Division on November 17, 2017, Schnebelen explains, in part:

These charges were not disclosed since I had paid an attorney to have the felony cases expunged in 2011. I am not sure why they are still showing up however they did happen. I couldn't remember if the misdemeanors were convicted or if pleaded out to a deal since it was such a long time ago and just a rough 2 month period of my life as you can see. I've also never had them show up on any other employer background checks even when I resided in the state of Florida so I assumed they were pleaded to non-criminal charges.

15. Background Question No. 7 of the Application asks, "Do you currently have or have you had a child support obligation?" The Background Question No. 7 then goes on to ask various questions, including if the applicant is in arrearage.

16. Schnebelen answered "Yes" to the child support obligation question, but "No" to the remaining questions in Background Question No. 7, including if he is in arrearage.

17. Contrary to Schnebelen's response on his Application to Background Question No. 7, Schnebelen had a child support obligation that was \$1,252.00 in arrears in October 2017 which is when Schnebelen signed his Application and attested that his Application was true and complete. *Judgment*, Case No. 1416FC10434, Jackson Co. Cir. Ct.; *Family Support Division, Child Support Enforcement, Missouri Department of Social Services*, Administrative Case No. 71555732.

18. On December 8, 2017, Special Investigator Engler told Schnebelen by telephone that he failed to disclose a child support arrearage on his Application. Schnebelen said that he did not have an arrearage. In a later telephone call on that same day, Schnebelen told Special Investigator Engler that he wanted to provide proof that his child support is paid in full.

19. To date, Schnebelen has not provided the Department documentation establishing that his child support obligation is not in arrears.

20. According to the records of the Family Support Division, Child Support Enforcement, Missouri Department of Social Services, as of January 25, 2018, Schnebelen's arrearage totaled \$1,252.00. *Id.*

21. Also in the December 8, 2017 telephone call with Special Investigator Andrew Engler, Schnebelen said he did not know the Florida crimes were going to show up, so he did not think it would be an issue.

22. It is inferable, and hereby found as fact, that Schnebelen attempted to obtain a license through material misrepresentation or fraud for the purpose of inducing the Director to issue him a motor vehicle extended service contract (“MVESC”) producer license based on any or all of the following:

- a. Schnebelen, by signing the Application under oath and before a notary, certified that all of the information in the Application is true and complete and that he is aware that submitting false information or omitting pertinent or material information on the Application may be grounds for denial of the license.
- b. Although Schnebelen disclosed that he pled guilty to, and was convicted of, two (2) counts of Stealing, Class C Felonies, in Missouri, *State v. Michael Jeffrey Schnebelen*, St. Charles Co. Cir. Ct., Case No. 0511-CR02866-01, Schnebelen’s explanation of the Missouri convictions is inconsistent with and contrary to the certified court records Schnebelen provided with his Application.
- c. Although Schnebelen disclosed his Missouri convictions, Schnebelen failed to disclose his Florida two (2) felony and three (3) misdemeanor convictions in response to Background Question No. 1 on the Application.
- d. In his written and oral correspondence with Special Investigator Engler, Schnebelen offered differing explanations for his failure to disclose the Florida criminal convictions.
- e. Schnebelen acknowledged in response to the Application’s Background Question No. 7 that he has a child support obligation, but answered “No” regarding arrearage. When Special Investigator Engler explained to Schnebelen that in fact he has a child support arrearage, Schnebelen, on December 8, 2017, told Engler that he wanted to provide proof that his child support is paid in full. To date, Schnebelen has not provided proof to Special Investigator Engler, and, as of January 25, 2018, Schnebelen’s arrearage remains.

CONCLUSIONS OF LAW

23. Section 385.209 RSMo⁴ states, 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:

* * *

⁴ All civil statutory references are to the 2016 Revised Statutes of Missouri.

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

* * *

(5) Been convicted of any felony;

* * *

(7) Been found in violation of law by a court of competent jurisdiction in an action instituted by any officer of any state or the United States in any matter involving motor vehicle extended service contracts, financial services, investments, credit, insurance, banking, or finance; [or]

* * *

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

24. The Director may refuse to issue Schnebelen a MVESC producer license under § 385.209.1(3) because he attempted to obtain a MVESC producer license through material misrepresentation or fraud when he failed to disclose his two (2) felony⁵ and three (3) misdemeanor convictions in Florida and he falsely answered “No” to Background Question No. 7 on his Application and stated that he did not have a child support arrearage.

25. Each instance in which Schnebelen attempted to obtain a license through material misrepresentation or fraud is a separate and sufficient ground for refusal of his MVESC producer license pursuant to § 385.209.1(3).

26. The Director may refuse to issue Schnebelen a MVESC producer license under § 385.209.1(5) because Schnebelen has been convicted of at least four (4) felonies:

a. Two (2) Counts of Stealing, Class C Felonies. *State v. Michael Jeffrey Schnebelen*, St. Charles Co. Cir. Ct., Case No. 0511-CR02866-01.

b. Felony Possession of Heroin and Felony Battery on a Police Officer. *State of Florida v. Michael J. Schnebelen Jr.*, Palm Beach Co. Cir. Ct., Case No. 50-2006-CF-006425-AXXX-MB.

27. Each felony conviction is a separate and sufficient ground for refusal pursuant to § 385.209.1(5).

⁵ This does not include the other case Schnebelen admitted existed for Felony Possession of Heroin and Felony Battery on a Police Officer. See Paragraph 11, *supra*.

28. The Director may refuse to issue Schnebelen a MVESC producer license under § 385.209.1(7) because Schnebelen has been found in violation of the law by a court of competent jurisdiction in an action instituted by any officer of any state or the United States in any matter involving credit because Schnebelen pled guilty to, and was convicted of, two (2) counts of Stealing, both Class C Felonies, arising from the theft of two credit cards (Capitol One Platinum Mastercard and a Chase Platinum Mastercard), both credit devices. *State v. Michael Jeffrey Schnebelen*, St. Charles Co. Cir. Ct., No. 0511-CR02866-01.

29. Each time Schnebelen was found in violation of the law by a court of competent jurisdiction in an action instituted by any officer of the state or the United States in any matter involving credit constitutes a separate and sufficient ground for the Director to refuse to issue Schnebelen a MVESC producer license under § 385.209.1(7).

30. The Director may refuse to issue Schnebelen a MVESC producer license under § 385.209.1(12) because Schnebelen has failed to comply with an administrative or court order imposing a child support obligation as evidenced by his arrearage in *Family Support Division, Child Support Enforcement, Missouri Department of Social Services*, Administrative Case No. 71555732 (Jackson Co. Cir. Ct., Case No. 1416FC10434).

31. The Director has considered Schnebelen's history and all of the circumstances surrounding Schnebelen's Application. Granting Schnebelen a MVESC producer license would not be in the interest of the public. Accordingly, the Director exercises her discretion to refuse to issue a MVESC producer license to Schnebelen.

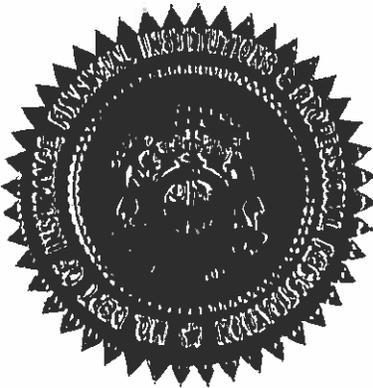
32. This Order is in the public interest.

ORDER

IT IS THEREFORE ORDERED that the Application of Michael Jeffrey Schnebelen, Jr., for a motor vehicle extended service contract producer license is hereby **REFUSED**.

SO ORDERED.

WITNESS MY HAND THIS 22nd DAY OF February, 2018.



Chlora Lindley-Myers, Director
Missouri Department of Insurance, Financial
Institutions and Professional Registration

NOTICE

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

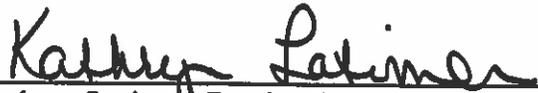
You may request a hearing in this matter. You may do so by filing a complaint with the Administrative Hearing Commission of Missouri, P.O. Box 1557, Jefferson City, Missouri, within 30 days after the mailing of this notice pursuant to Section 621.120, RSMo. Pursuant to 1 CSR 15-3.290, unless you send 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 23rd day of February, 2018, a copy of the foregoing Order and Notice was served upon the Applicant in this matter by UPS, signature required, at the following address:

Michael Jeffrey Schnebelen, Jr.
60 Golden Ridge Ct.
St. Charles, Missouri 63304

Tracking No. 1Z0R15W84298068071



Kathryn Latimer, Paralegal
Missouri Department of Insurance, Financial
Institutions and Professional Registration
301 West High Street, Room 530
Jefferson City, Missouri 65101
Telephone: 573.751.6515
Facsimile: 573.526.5492
Email: kathryn.latimer@insurance.mo.gov