

STATE OF MAINE  
DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION  
BUREAU OF INSURANCE

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*In re:*

**Karen D. Kelton**

**National Producer No. 17669321**

**Docket No. INS-16-201**

**LICENSE DENIAL  
NOTICE, ORDER,  
and  
OPPORTUNITY FOR  
HEARING**

***NOTICE TO KAREN D. KELTON:***

Effective as of **January 25, 2016**, the Maine Superintendent of Insurance denies your September, 2015, application for licensure in Maine as a nonresident insurance producer. The reasons for denial are set forth below:

1. On September 25, 2014, you were convicted of shoplifting and sentenced to 30 days in jail which was suspended on the condition of the completion of: six months supervised probation; theft counseling; random drug screenings; 40 hours of public service work at Paragould Housing Authority; and no contact with Wal-Mart. You were also required to pay \$1,130 in fines and/or costs. This conviction constitutes grounds for denial of your application for Maine licensure under 24-A M.R.S. § 1420-K(1)(F), for having been convicted of a criminal offense as provided in 5 M.R.S. § 5301, which allows a licensing agency to consider criminal history information related to a conviction for which incarceration for less than one year may be imposed if it involves dishonesty or false statement. Based on the recent nature of the conviction and your failure to provide information related to the conviction (described below), the Superintendent finds that you have not been rehabilitated enough to warrant the public trust, within the meaning of 5 M.R.S. § 5302.
2. The Bureau of Insurance sent requests for additional information related to your criminal conviction on October 9, 2015 and November 6, 2015, to the applicant email address provided in your licensing application. A third follow-up letter was sent to your home address on November 16, 2015. In each request you were advised of your obligation under 24-A M.R.S. § 220(2) to respond within 30 days. To date, we have not received the requested copies of the original charging documents related to the incident or documentation proving that all terms of your probation were met. Your failure to provide the requested documents constitutes further grounds for the denial of your application under 24-A M.R.S. § 1420-K(1)(B), for violating any insurance laws.

Therefore, based upon the above grounds, your application for a Maine insurance producer license is **denied** as of **January 25, 2016**, pursuant to 24-A M.R.S. §§ 1417 and 1420-K.

**Under the Maine Insurance Code, specifically 24-A M.R.S. § 1417 and § 1420-K, you have the right to a hearing before the Superintendent or his designee to appeal this denial. If you request a hearing, you will have the right to present evidence and arguments in your defense and you will bear the burden of proof to show that the Superintendent's denial was not reasonable.**

**If you request a hearing, you will receive further communication regarding scheduling. The matters to be determined through the hearing process are the establishment of the above grounds, and the appropriate sanctions, which can include any available remedy under applicable laws, including the imposition of civil penalties.**

**To request a hearing, you must notify the Bureau of Insurance in writing no later than February 29, 2016. If you do not file a written request for a hearing within 30 days from the time you know or reasonably should have known of this act through this Notice and Order, you will lose your right to request a hearing on this matter. Pursuant to 24-A M.R.S. § 213(3), this Notice from the Superintendent to you shall be deemed to have been given when deposited in a mail depository of the United States Post Office.**

Any request for a hearing, as well as all other communications regarding this Notice, Order, and Opportunity for Hearing must be addressed to Bureau Licensing Attorney Lindsay J. Laxon, Bureau of Insurance, #34 State House Station, Augusta, Maine 04333-0034 (for US Postal Service deliveries) or 76 Northern Avenue, Gardiner, Maine 04345 (for private carrier deliveries, such as FedEx or UPS). You may also reach Ms. Laxon by e-mail at [Lindsay.J.Laxon@maine.gov](mailto:Lindsay.J.Laxon@maine.gov) or by telephone at (207) 624-8429.

January 25, 2016

  
Eric A. Cioppa  
Superintendent of Insurance