

STATE OF NORTH DAKOTA
BEFORE THE INSURANCE COMMISSIONER

In the Matter of)	
)	CONSENT ORDER
E. Brent Lundgren,)	
NPN 658102,)	CASE NO. AG-13-440
)	
Respondent.)	

TO: E. Brent Lundgren, 613 Eighth Avenue East, West Fargo, ND 58078

Insurance Commissioner Adam Hamm (“Commissioner”) has determined as follows:

1. As a result of information obtained by the North Dakota Insurance Department (“Department”) regarding the conduct of E. Brent Lundgren, NPN 658102 (“Respondent”), the Commissioner has considered scheduling a formal hearing to determine whether Respondent’s conduct as alleged constitutes a basis for imposition of a civil penalty or any other action the Commissioner deems necessary. As more fully described below, Respondent’s conduct is alleged to be in violation of N.D.C.C. §§ 26.1-26-15 and 26.1-26-42(12).

2. N.D.C.C. § 26.1-26-15 requires that an applicant for a license must be deemed by the Commissioner to be competent, trustworthy, financially responsible, and of good personal and business reputation.

3. N.D.C.C. § 26.1-26-42 states, in part:

26.1-26-42. License suspension, revocation, or refusal – Grounds. The commissioner may suspend, revoke, place on probation, or refuse to continue or refuse to issue any license issued under this chapter if, after notice to the licensee and hearing, the commissioner finds as to the licensee any of the following conditions:

1. A materially untrue statement in the license application.
- ...
12. A violation of or noncompliance with any insurance laws of this state or a violation of or noncompliance with any lawful rules or orders of the commissioner or of a commissioner of another state.

4. N.D.C.C. § 26.1-26-45.1(1) states:

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

5. On or about May 16, 2014, a 60-month conditional license was issued to Respondent due to his failure to report a September 20, 2013, securities violation for selling a speculative and illiquid investment with no reasonable basis to believe the sale was suitable and falsely signing a certificate. One of the conditions of the conditional license was that Respondent report to the Commissioner any administrative action taken against his insurance license in this state or any action taken against his insurance license in any other state or jurisdiction within 30 days of the final disposition of the matter.

6. On or about August 27, 2014, Respondent entered into a Consent Order in the State of Minnesota for his failure to timely report the September 20, 2013, securities violation. Pursuant to N.D.C.C. § 26.1-26-45.1(1) and the conditional license, Respondent was to report the Minnesota Consent Order within 30 days to the Commissioner and he failed to do so. Respondent's failure to report the Minnesota Consent Order is in violation of N.D.C.C. §§ 26.1-26-15, 26.1-26-42(12) and 26.1-26-45.1(1).

7. On or about October 3, 2014, Respondent applied to renew his resident producer license. On that application, he answered "no" to background question two which asks, "Have you been named or involved as a party in an administrative proceeding, including a FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration, which has not been previously reported to this insurance department?" Respondent should have disclosed the August 27, 2014, Minnesota Consent Order on the renewal application. Respondent's failure to disclose the Minnesota Consent Order on the renewal application is a violation of N.D.C.C. §§ 26.1-26-15 and 26.1-26-42(1) and (12).

8. Respondent acknowledges that at the time of signing the Consent to Entry of Order, he was aware of or had been advised of the right to a hearing in this matter, to consult an attorney, to present argument to the Commissioner, to appeal from any adverse determination after a hearing, and Respondent expressly waives those rights.

9. Respondent has agreed to informal disposition of this matter, without a hearing, as provided under N.D.C.C. § 28-32-22.

10. For purposes of resolving this matter without further administrative proceedings, Respondent has agreed to enter into the following order.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. Respondent agrees to pay a fine in the amount of \$200 payable by money order, cashier's check, or credit card to the North Dakota Insurance Department within 20 days of the effective date of this Order.

2. The use of this Consent Order for competitive purposes by an insurance agent or agency holding a license in the State of North Dakota, or by any company holding a Certificate of Authority, or by anyone on their behalf, may be deemed unfair competition and be grounds for suspension or revocation of said license or authority.

DATED at Bismarck, North Dakota, this 20th day of November, 2014.



Adam Hamm
Insurance Commissioner
State of North Dakota

CONSENT TO ENTRY OF ORDER

The undersigned, **E. Brent Lundgren**, states that he has read the foregoing Consent Order, that he knows and fully understands its contents and effect; that he has been advised of the right to a hearing in this matter, the right to be represented by legal counsel, the right to present evidence and arguments to the Commissioner, and the right to appeal from an adverse determination after hearing; and that by the signing of this Consent to Entry of Order he waives those rights in their entirety, and consents to entry of this Order by the Commissioner. It is further expressly understood that this

Order constitutes the entire settlement agreement between the parties, there being no other promises or agreements, either expressed or implied.

DATED this 17 day of NOVEMBER, 2014.



E. Brent Lundgren

County of Cass
State of ND

Subscribed and sworn to before me this 17th day of November, 2014.



Notary Public

My commission expires: May 21, 2020

SIDATH WIJETUNGA
Notary Public
State of North Dakota
My Commission Expires May 21, 2020