

12. Misrepresentation in insurance applications. Making false or fraudulent statements or representations on or relative to an application for an insurance policy, for the purpose of obtaining a fee, commission, money, or other benefit from any insurer, insurance producer, or individual.

6. N.D.C.C. § 26.1-26-15 states:

26.1-26-15. License requirement – Character. An applicant for any license under this chapter must be deemed by the commissioner to be competent, trustworthy, financially responsible, and of good personal and business reputation.

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

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:

...

6. In the conduct of affairs under the license, the licensee has used fraudulent, coercive, or dishonest practices, or has shown oneself to be incompetent, untrustworthy, or financially irresponsible.

8. The Commissioner has a reasonable basis to believe that the Respondent has engaged in, is engaging in, or is about to engage in, an act or practice as more fully described below which violates or may lead to a violation of N.D.C.C. title 26.1. It is necessary and appropriate in the public interest and for the protection of insurance consumers to restrain these acts or practices of Respondent.

9. Respondent has held a North Dakota resident insurance producer license since August 26, 2011.

10. The Commissioner has come into information which alleges that Respondent has knowingly engaged in a fraudulent insurance act and in the conduct of affairs under his

license has used fraudulent, coercive, or dishonest practices in his actions and has used unfair and deceptive acts or practices in the business of insurance beginning on or about January 1, 2013, and continuing through on or about November 7, 2013, by filing multiple applications with Country Financial for the issuance of insurance policies for individuals that did not want said insurance policies. By these actions, Respondent has also shown himself to be incompetent, untrustworthy, or financially irresponsible.

11. The Commissioner has come into information which alleges that Respondent has knowingly engaged in a fraudulent insurance act and in the conduct of affairs under his license has used fraudulent, coercive, or dishonest practices in his actions and has used unfair and deceptive acts or practices in the business of insurance beginning on or about January 1, 2013, and continuing through on or about November 7, 2013, by fraudulently signing individuals' names to insurance applications that they did not want and filing them with Country Financial. By these actions, Respondent has also shown himself to be incompetent, untrustworthy, or financially irresponsible.

12. The Commissioner has come into information which alleges that Respondent has knowingly engaged in a fraudulent insurance act and in the conduct of affairs under his license has used fraudulent, coercive, or dishonest practices in his actions and has used unfair methods of competition and unfair and deceptive acts or practices in the business of insurance beginning on or about January 1, 2013, and continuing through on or about November 7, 2013, by knowingly and intentionally presenting inaccurate data to Country Financial concerning a home he was seeking to insure thereby reducing the value of the home which ultimately reduced the amount of premium required for the policy and allowed Respondent to offer this home an insurance policy for less than competitors. By these actions, Respondent has also shown himself to be incompetent, untrustworthy, or financially irresponsible.

13. According to information obtained during the course of an investigation by the North Dakota Insurance Department ("Department"), Respondent's former employer, Country Financial, offers their agents a guaranteed income per month. In order to continue to receive this guaranteed income agents are required to reach certain sales benchmarks.

14. According to information obtained during the course of an investigation by the Department, beginning on or about January 1, 2013, through on or about November 7, 2013, Respondent filed multiple applications for insurance coverage with Country Financial on behalf of individuals that did not want said insurance coverage. Respondent received personal financial benefit by engaging in this conduct.

15. According to information obtained during the course of an investigation by the Department, Respondent forged multiple signatures on applications for insurance coverage and submitted these forged documents to Country Financial in order to bind insurance coverage. Respondent received personal financial benefit by engaging in this conduct.

16. During the course of an investigation by the Department, it was learned that Respondent knowingly and intentionally presented inaccurate data to Country Financial for a home he was seeking to insure for an individual thereby superficially reducing the value of the home and in turn superficially reducing the amount the home needed to be insured for, ultimately reducing the amount of premium required. This activity allowed Respondent to offer the home insurance for less than competitors and ultimately to sell this inadequate policy to the unknowing homeowner. Respondent received personal financial benefit by engaging in this conduct.

17. Respondent's conduct outlined above constitutes violations of N.D.C.C §§ 26.1-02.1-02.1, 26.1-04-03(12), 26.1-26-15, and/or 26.1-26-42(6).

NOW, THEREFORE, IT IS HEREBY ORDERED pursuant to N.D.C.C. § 26.1-01-03.1 that Respondent, whether acting in the State of North Dakota as an insurance

producer or otherwise engaging in the business of insurance, either directly or indirectly through named and unnamed persons, entities, agents, or otherwise, shall immediately **CEASE AND DESIST** from soliciting, transacting, or otherwise engaging in the business of insurance.

IT IS FURTHER ORDERED pursuant to N.D.C.C. § 26.1-01-03.1 that Respondent may make a written request for a hearing on this matter within 30 days of the date of this Order.

If the Respondent fails to request a hearing in writing within 30 days after being served with a copy of this Cease and Desist Order, the Commissioner shall make the Cease and Desist Order permanent, as the facts require.

DATED this 26th day of December, 2013.



Adam Hamm
Commissioner
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