

**STATE OF NORTH DAKOTA**  
**BEFORE THE INSURANCE COMMISSIONER**

<b>In the Matter of</b>	)	
	)	
<b>Alan R. Henning,</b>	)	<b>CONSENT ORDER</b>
<b>NPN 5741494,</b>	)	
<b>DOB 5/19/53,</b>	)	<b>CASE NO. AG-10-287</b>
	)	
<b>Respondent.</b>	)	

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 Alan R. Henning, NPN 5741494, DOB 5/19/53 (“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. §§ 26.1-02.1-02.1, 26.1-26-15, and 26.1-26-42(6) and (10).

2. N.D.C.C. § 26.1-02.1-02.1 states, in part:

A person may not commit a fraudulent insurance act.

3. 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.

4. 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:

...

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.

...

10. An improper withholding of, misappropriating of, or converting to one's own use any moneys belonging to policyholders, insurers, beneficiaries, or others received in the course of one's insurance business.

5. The Commissioner has come into information which alleges that Respondent has knowingly and intentionally engaged in deceitful and dishonest practices against residents of the State of North Dakota by improperly taking money belonging to his employer, an insurance company, and converting it to his own use. By these actions, Respondent has shown himself incompetent, untrustworthy, or financially irresponsible in the conduct of affairs under the license.

6. Respondent was employed as the General Manager of a county mutual insurance company. During his employment, Respondent obtained unauthorized loans in the name of his employer and converted the funds to his personal use. Respondent obtained unauthorized loans against the assets of the insurance company. He also wrote unauthorized checks to himself from the company's account and he removed

records from the office in an attempt to conceal his actions. The amount of funds taken by Respondent was in excess of \$700,000.

7. Respondent's actions of taking money from his employer and applying it to his own use is in violation of N.D.C.C. §§ 26.1-02.1-02.1, 26.1-26-15 and 26.1-26-42(6) and (10) and are grounds for revocation of Respondent's individual insurance producer license.

8. At all times relevant to this Order, Respondent held a resident insurance producer license issued by North Dakota.

9. 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.

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

11. For purposes of resolving this matter without further administrative proceedings, Alan R. Henning has agreed to enter into the following order.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. Respondent Alan R. Henning's individual insurance producer license is hereby **REVOKED** effective upon the Commissioner's execution of this Order.

2. No administrative fine or other civil penalty is imposed.

3. The use of this Consent Order for competitive purposes by an insurance producer 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.

4. At the time of the alleged misconduct, Respondent was acting as an insurance producer for a number of individuals. Those accounts all maintained insurance through Respondent's employer, the above referenced county mutual company. After Respondent was terminated by the county mutual company, the accounts that Respondent handled as an insurance producer were transferred to another insurance producer. To date, Respondent has not been compensated for the transfer of those accounts. Nothing in this agreement is designed or intended to prevent the Respondent from receiving compensation for the transfer of those accounts from the county mutual company or the insurance producer that received the accounts.

DATED at Bismarck, North Dakota, this 17<sup>th</sup> day of November, 2011.

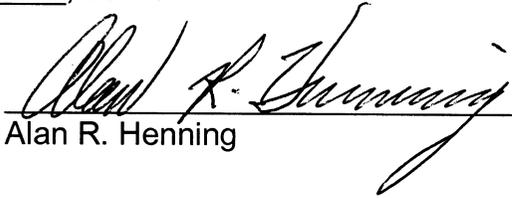
  
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Adam Hamm  
Insurance Commissioner  
State of North Dakota

CONSENT TO ENTRY OF ORDER

The undersigned, **Alan R. Henning**, 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

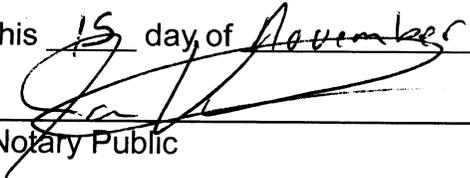
Order constitutes the entire settlement agreement between the parties, there being no other promises or agreements, either expressed or implied.

DATED this 15 day of November, 2011.

  
Alan R. Henning

Subscribed and sworn to before me

this 15 day of November, 2011.

  
Notary Public

County of Ward  
State of North Dakota

My commission expires: May 7, 2016

