

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

**In the Matter of**

**Paul Thomas Croft,  
NPN 7319444,  
DOB 5/19/81,**

**CONSENT ORDER**

**CASE NO. AG-12-342**

**Respondent.**

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 Paul Thomas Croft, NPN 7319444, DOB 5/19/81 ("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. Respondent's conduct is alleged to be in violation of N.D.C.C. § 26.1-26-45.1.

2 N.D.C.C. § 26.1-26-45.1 states, in part:

**26.1-26-45.1. Reporting of actions.**

Within thirty days after a criminal conviction, an insurance producer shall report to the commissioner any criminal conviction of the insurance producer taken in any jurisdiction. The report must include a copy of the initial complaint, the order issued by the court, and any other relevant legal documents.

3. N.D.C.C. § 26.1-25-50 as it existed at the time of the events at issue stated, in part:

In addition to or in lieu of any applicable denial, suspension, or revocation of a license, any person violating this chapter may, after

hearing, be subject to a civil fine of not less than one hundred dollars nor more than one thousand dollars.

4. Respondent held a North Dakota resident insurance producer license from June 19, 2002, until June 24, 2003. His resident license was terminated at his request so that he could obtain a Minnesota resident producer license. Respondent was issued a North Dakota nonresident producer license on June 25, 2003, which continued until January 31, 2007, when it was cancelled due to nonrenewal. Respondent was issued a nonresident producer license on or about August 29, 2008. Respondent's North Dakota nonresident producer license was next renewed on June 1, 2011. His current license expires May 31, 2013.

5. On January 8, 2007, Respondent pled guilty to a charge of misdemeanor disorderly conduct in Hennepin County, Minnesota. The disorderly conduct charge was ultimately dismissed pursuant to a stay of imposition. Respondent failed to report to the Commissioner that he had been convicted of misdemeanor disorderly conduct on January 8, 2007. At the time of conviction, Respondent held a North Dakota nonresident license. Respondent maintains that he did not report the conviction because he mistakenly believed he did not have an obligation to do so.

6. Respondent was convicted of driving while impaired (DWI) on January 5, 2006, in Hennepin County, Minnesota. Respondent failed to report to the Commissioner that he had been convicted of DWI on January 5, 2006. At the time of conviction, Respondent held a North Dakota nonresident license. Respondent maintains that he did not report the conviction because he mistakenly believed he did not have an obligation to do so.

7. Respondent did not report the disorderly conduct or the DWI

conviction to the Commissioner at any time.

8. Respondent had an opportunity to disclose the convictions in his license application on August 29, 2008 and in an Adjustable Comp. Life policy application dated November 16, 2007, but failed to do so. Respondent maintains that the failure to disclose was not intentional. Regardless of whether or not the failure to disclose was intentional, Respondent's failure to report his convictions is a violation of N.D.C.C. § 26.1-26-45.1(2).

9. Respondent acknowledges that at the time of signing the Consent to Entry of Order, he was aware of or had been advised of his rights 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, Respondent and the Commissioner have agreed to enter into the following order.

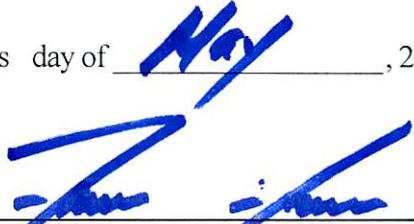
NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. Respondent shall pay a fine in the amount of \$500, due and payable by money order, credit card or cashier's check to the North Dakota Insurance Department within five business days of execution of this Order.

2. The Commissioner reserves the right to take further action in this matter if Respondent does not timely pay the fine imposed in this Order.

3. The use of this Order for competitive purposes by any insurance producer 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 7<sup>th</sup> at Bismarck, North Dakota, this day of May, 2012.

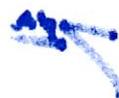
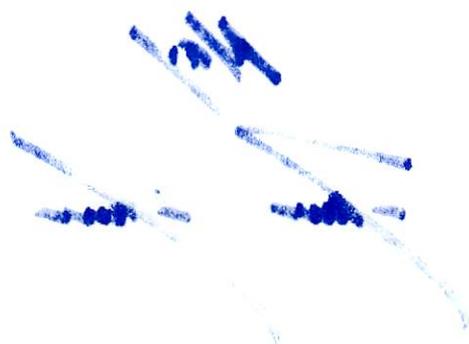
  
\_\_\_\_\_  
Adam Hamm  
Insurance Commissioner  
State of North Dakota

#### CONSENT TO ENTRY OF ORDER

The undersigned, **Paul Thomas Croft**, states that he has read the foregoing Order, that he knows and fully understands its contents and effect; that he has been advised of his right to a hearing in this matter, his right to be represented by legal counsel, his right to present evidence and arguments to the Commissioner, and his 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 hereto, there being no other promises or agreements, either expressed or implied.

DATED this 30<sup>th</sup> day of April, 2012.

  
\_\_\_\_\_  
Paul Thomas Croft



Subscribed and sworn to before me this day of April 30, 2012.

  
\_\_\_\_\_  
Notary Public

State of Minnesota  
County of Hennepin

My commission expires 4/31/15





*[Faint, illegible text]*

*[Faint, illegible text]*

My Commission Expires Jan. 31, 2015  
 NOTARY PUBLIC MINNESOTA  
 JON M. TYNJALA



*[Faint, illegible text]*

*[Faint, illegible text]*

