

STATE OF NORTH DAKOTA
BEFORE THE INSURANCE COMMISSIONER

In the Matter of)	
)	CONSENT ORDER
Family First Life,)	
NPN 17203033,)	CASE NO. AG-15-512
)	
Respondent.)	

TO: Family First Life, by and through its attorney, Chris A. Edison, Bormann, Myerchin & Espeseth, LLP, 418 East Broadway Avenue, Suite 240, Bismarck, ND 58501

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

1. Allison L. Warren, NPN 16415892, initiated the sending of a mailer to various North Dakota residents. That mailer solicited the residents that received it to indicate whether they had any interest in certain life insurance products. Warren was at the time of initiating said mailer an independent contractor sales agent affiliated with Family First Life, NPN 17203033 (“Respondent”), a business entity which has held a nonresident insurance producer license at all times relevant to this proceeding. The mailer contained a phone number for Respondent at the bottom of the mailer.

2. As a result of various deficiencies with the mailer and identified by the North Dakota Insurance Department (“Department”), the Commissioner considered initiating administrative proceedings against Respondent. Specifically, Respondent’s connection to the matter as the independent marketing organization or IMO with which

Warren was affiliated is alleged to be in violation of N.D.C.C. § 26.1-26-42(12) and N.D. Admin. Code §§ 45-04-10-03 and 45-04-10-04.

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

26.1-26-42. License suspension, revocation, or refusal – Grounds. The commissioner may suspend, revoke, place on probation, or refuse to continue to 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:

...

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. Admin. Code § 45-04-10-03 states, in relevant part:

45-04-10-03. Disclosure requirements.

...

3. In the event an advertisement uses “Non-Medical”, “No Medical Examination Required”, or similar terms where issue is not guaranteed, such terms must be accompanied by a further disclosure of equal prominence and in juxtaposition thereto to the effect that issuance of the policy may depend upon the answers to the health questions.
4. An advertisement may not use as the name or title of a life insurance policy any phrase which does not include the words “life insurance” unless accompanied by other language clearly indicating it is life insurance.

...

6. An advertisement for a policy containing graded or modified benefits must prominently display any limitations of benefits. If the premium is level and

coverage decreases or increases with age or duration, such fact must be prominently disclosed.

5. N.D. Admin. Code § 45-04-10-04 states:

45-04-10-04. Identity of insurer.

1. The name of the insurer, insurance agency, agent, or broker must be clearly identified on all advertisements, and if any specific individual policy is advertised it must be identified either by form number or other appropriate description. . . .

6. The mailer states that there is “no physical exam necessary” but does not disclose if medical questions must be answered, in violation of N.D. Admin. Code § 45-04-10-03(3).

7. The mailer does not disclose that this is an advertisement for a life insurance product, in violation of N.D. Admin. Code § 45-04-10-03(4).

8. The mailer does not disclose whether coverage increases or decreases with age or duration, in violation of N.D. Admin. Code § 45-04-10-03(6).

9. The mailer does not disclose the name of the insurer, agent, agency or broker, in violation of N.D. Admin. Code § 45-04-10-04(1).

10. Respondent acknowledges that at the time of signing this Consent to Entry of Order, it is aware of or has been advised of its 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.

11. Respondent has agreed to informal disposition of this matter, without a hearing, as specifically set forth in this Order.

12. There are no covenants, promises, undertakings or understandings other

than as specifically set forth in this Order.

13. Respondent consents to the Commissioner's continuing jurisdiction over it regarding any issues which may subsequently arise related to Respondent's activities.

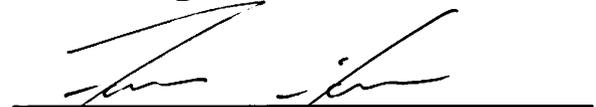
14. For purposes of resolving this matter without further administrative proceedings, Respondent and the Commissioner have agreed to enter into the following Order.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. Respondent Family First Life agrees to the imposition of a civil penalty of \$7,500 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, or in any court proceedings outside of North Dakota, by an insurance agent, agency, or any other entity holding a license in the State of North Dakota, or by any company holding a Certificate of Authority, or by anyone on their behalf, shall be deemed unfair competition and shall be grounds for immediate suspension or revocation of said license or authority.

DATED at Bismarck, North Dakota, this 28th day of October, 2015.



Adam Hamm
Insurance Commissioner
State of North Dakota

CONSENT TO ENTRY OF ORDER

The undersigned, **Shawn Meaike**, on behalf of **Family First Life**, 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 his right to a hearing in this matter, his right to

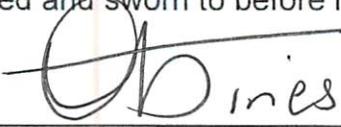
be represented by legal counsel, his right to present evidence and arguments to the Commissioner, and his right to appeal from an adverse determination after hearing; and that by the signing of this Consent to Entry of Order he voluntarily waives those rights in their entirety and consents to entry of 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 8th day of October, 2015.



Family First Life
By: Shawn Meaie
Its: President

Subscribed and sworn to before me this 8th day of October, 2015.



Notary Public

State of Connecticut
County of New London

My commission expires: 10/31/2017

