

STATE OF NORTH DAKOTA
BEFORE THE INSURANCE COMMISSIONER

In the Matter of

**Joe Schaffner,
NPN 7322803,**

Respondent.

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CONSENT ORDER
CASE NO. AG-16-621

TO: Joe Schaffner, 11516 Miracle Hills Drive, Suite 100, Omaha, NE 68154-4473

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 Joe Schaffner, NPN 7322803 ("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, 26.1-26-42(1), and 26.1-26-45.1(1).

2. N.D.C.C. § 26.1-26-15 requires that an applicant for any 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:

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

26.1-26-45.1. Reporting of actions.

1. 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 to order, or other relevant legal documents.
5. Respondent has been licensed as a nonresident insurance producer in North Dakota since January 10, 2011.
6. On or about February 9, 2016, the Department received notification that Respondent submitted documentation to the National Association of Insurance Commissioners Attachment Warehouse regarding a 1995 conviction for Failure to Appear, and 1999 convictions of Assault and Battery and Disorderly Conduct. A review of Respondent's licensing record revealed that Respondent failed to disclose the criminal convictions on his original application in 2011 and on his renewal applications in 2013 and 2015. Respondent's failure to disclose criminal convictions on a license application is in violation of N.D.C.C. §§ 26.1-26-15 and 26.1-26-42(1).
7. A review of Respondent's licensing record also revealed that on or about December 14, 2015, Louisiana took administrative action against Respondent and fined him \$250 for failing to make a required disclosure on a license application. The administrative action should have been reported to North Dakota by January 14, 2016,

and it was not. Respondent's failure to report an administrative action within 30 days is in violation of N.D.C.C. §§ 26.1-26-15 and 26.1-26-45.1(1).

8. Respondent's actions constitute violations of N.D.C.C. §§ 26.1-26-15, 26.1-26-42(1), and 26.1-26-45.1(1).

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.

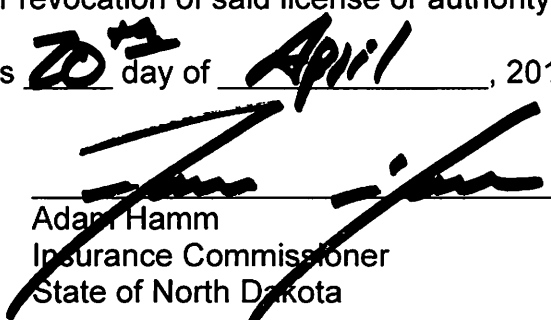
11. For purposes of resolving this matter without further administrative proceedings, Respondent has agreed to enter into the following order.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

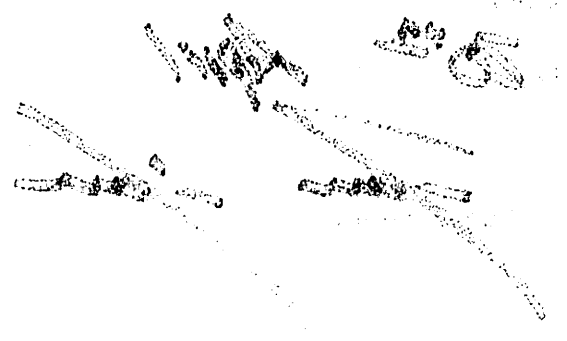
1. Respondent agrees to pay a fine in the amount of \$700 payable by money order, cashier's check, or credit card to the North Dakota Insurance Department within 20 days of the effective date of this Order.

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 April, 2016.



Adam Hamm
Insurance Commissioner
State of North Dakota



CONSENT TO ENTRY OF ORDER

The undersigned, **Joe Schaffner**, 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 15th day of April, 2016.

Joe P. Schaffner
Joe Schaffner

County of Douglas
State of Nebraska

Subscribed and sworn to before me this 15th day of April, 2016.

Margaret Whitley
Notary Public

My commission expires: 6-4-19

