

STATE OF NORTH DAKOTA
BEFORE THE INSURANCE COMMISSIONER

In the Matter of)	FINDINGS OF FACT,
)	CONCLUSIONS OF LAW, AND
John Bach,)	ORDER SUSPENDING LICENSE
NPN 7665722,)	
)	CASE NO. AG-16-692
Respondent.)	

TO: John Bach, 120 East Beech Avenue, Fergus Falls, MN 56537

North Dakota Insurance Commissioner Jon Godfread (“Commissioner”) makes the following Findings of Fact, Conclusions of Law, and Order pursuant to his authority under N.D.C.C. § 26.1-26-42 and the Consent Order effective January 31, 2017.

PROCEDURAL HISTORY

Respondent holds a conditional nonresident insurance producer license. On January 27, 2017, Respondent signed a Consent Order with the North Dakota Insurance Department (“Department”) which became effective on January 31, 2017, when the Commissioner signed the Order. Pursuant to the Consent Order, Respondent agreed to a five-year conditional license and a fine of \$6,500.

Paragraph 4 of the Order states:

Respondent agrees that the Department may, during the five-year conditional license period and the 61-day review period allowed under paragraph 1, revoke, suspend, or take such further action as may be deemed necessary against Respondent’s insurance license without Notice of Hearing or the issuance of a Complaint if the Department receives a complaint from any source against Respondent and, after

investigation of the merits of said complaint, notifies the Respondent that Respondent has, in the Commissioner's opinion, violated the laws of the State of North Dakota. Respondent further agrees that any action taken against Respondent's license or in furtherance of this action is not appealable.

The Commissioner has learned that Respondent has failed to comply with the terms of the January 31, 2017, Consent Order. The following Findings of Fact, Conclusions of Law, and Order are now entered without a hearing.

FINDINGS OF FACT

1. On January 31, 2017, Respondent's Consent Order with the Department became effective. The Consent Order was based on Respondent's failure to comply with the advertising rules in the North Dakota Administrative Code and his sale, solicitation, and negotiation of insurance without a license.

2. Respondent agreed to a five-year conditional license and payment of a fine of \$6,500. Respondent also agreed that the Commissioner could revoke or suspend his license without notice of hearing or issuance of a complaint for further violations.

3. Respondent requested a payment plan and the Commissioner agreed to the following payment schedule:

February 2017 - \$1,000
March 2017 – November 2017 - \$500
December 2017 - \$1,000
Each payment due on or before the 5th of the month.

Respondent agreed to this payment plan.

4. On February 3, 2017, the Commissioner provided Respondent with an extension until February 24, 2017, to make his initial \$1,000 payment. Respondent failed to make the payment on February 24, 2017. The Department did not receive

Respondent's February and March 2017 payments until March 14, 2017.

5. Respondent was notified that if further issues occurred with payments, the matter would be forwarded to the Commissioner for further action. Respondent provided his acknowledgment.

6. The Department did not receive Respondent's April 2017 payment on time. Respondent stated that he had asked his daughter to send a money order while he was away and that she had done so on April 1, 2017. He sent a new money order which was received on April 27, 2017.

7. The Department did not receive Respondent's May 2017 payment by May 5, 2017. An email was sent to Respondent on May 10, 2017. No response was received.

8. Despite the Department's willingness to accommodate Respondent, Respondent has failed to comply with his obligations to the Department pursuant to the Consent Order and the payment plan.

CONCLUSIONS OF LAW

1. The Commissioner has authority to regulate the conduct of licensees pursuant to N.D.C.C. § 26.1-26-42. The Commissioner has the authority to suspend an insurance producer license for "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." N.D.C.C. § 26.1-26-42(12).

2. The Commissioner may enter into an informal disposition of an administrative action pursuant to N.D.C.C. § 28-32-22.

3. The 2017 Consent Order is a lawful order of the Commissioner of the

North Dakota Insurance Department.

4. Respondent's agreement in the 2017 Consent Order that his license could be revoked or suspended if he did not comply with the laws of this state is enforceable.

5. Respondent violated the terms of the 2017 Consent Order which is a violation of N.D.C.C. § 26.1-26-42(12) on four occasions when he failed to timely make his payments toward the \$6,500 fine.

6. Suspension of Respondent's nonresident insurance producer license is lawful and appropriate under the circumstances until such time as Respondent has paid in full the \$6,500 fine.

7. Respondent has made payments totaling \$2,000 with a remaining balance of \$4,500.

ORDER

NOW, THEREFORE, John Bach's nonresident insurance producer license is **SUSPENDED** until he has paid the remaining \$4,500 on his fine in full. Once he has paid the fine in full, his nonresident insurance producer license will be reinstated on a conditional basis pursuant to the terms of the 2017 Consent Order. This Order is effective on the date of signing by the Commissioner.

DATED at Bismarck, North Dakota, this 17th day of May, 2017.



Jon Godfreed
Commissioner
North Dakota Insurance Department
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