

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

<b>In the Matter of</b>	)	<b>FINDINGS OF FACT,</b>
	)	<b>CONCLUSIONS OF LAW,</b>
<b>Grace Smith,</b>	)	<b>AND DEFAULT ORDER</b>
<b>NPN 5751545,</b>	)	
	)	<b>CASE NO. AG-15-561</b>
<b>Respondent.</b>	)	

**TO: Grace Smith, 11926 Dupplin Castle Court, charlotte, NC 28277-2137**

On August 18, 2015, a Complaint for Revocation of License was filed with the Insurance Commissioner by Kelvin W. Zimmer, Director of Producer Licensing for the North Dakota Insurance Department, alleging Grace Smith, NPN 5751545 (“Respondent”), committed various violations of North Dakota insurance statutes.

The Complaint was mailed to Respondent at the address on file with the Department by the United States Postal Service via certified mail, return receipt requested, on August 19, 2015. The certified mail was returned to the Department marked “unclaimed” on September 18, 2015. Proof of service of the Complaint is annexed to these Findings. Respondent failed to answer the Complaint within 20 days as required under N.D.C.C. § 28-32-21(1)(e). As such, on September 22, 2015, an Application for Default Order was made deeming the allegations made in the Complaint to be admitted pursuant to N.D.C.C. § 28-32-30.

Based on the allegations made in the Complaint and on the evidence presented in the Affidavits filed in support of the Complainant’s Application for Default Order, the following Findings of Fact, Conclusions of Law, and Default Order are entered:

## FINDINGS OF FACT

### I

Respondent is presently, and has at all times pertinent to this action, been an insurance producer licensed in North Dakota.

### II

The Complaint was mailed to Respondent at the address on file with the Department by the United States Postal Service via certified mail, return receipt requested, on August 19, 2015. The certified mail was returned to the Department marked "unclaimed" on September 18, 2015. Respondent failed to provide a written response to the Complaint.

### III

Respondent has not answered the Complaint within 20 days as required under N.D.C.C. § 28-32-21(1)(e).

### IV

Respondent has been licensed as a nonresident insurance producer in North Dakota since May 1, 2014.

### V

According to information received by the Department, effective June 2, 2015, Respondent's resident license in North Carolina expired. Since Respondent no longer holds an active resident license from another state, she no longer qualifies to hold a nonresident license in this state and, therefore, is subject to license revocation pursuant to N.D.C.C. §§ 26.1-26-20.

## VI

On or about February 23, 2015, the Department was notified by Teachers Insurance & Annuity Association of America that Respondent's appointment with the company had been terminated effective January 20, 2015. The reasons for the termination for cause were a felony charge and allegations. The formal charge read, "Between March 2009, and continuing until March, 2014, in Mecklenburg County, employee knowingly and willfully did and attempted to embezzle, steal, purloin, and convert to her own use, on a recurring basis, money and things of value from the Social Security Administration retirement benefits intended for her deceased mother and having a value of approximately \$82,628." Respondent's actions that led to the termination for cause are a violation of N.D.C.C. § 26.1-26-42(5) and (6).

## VII

On or about April 16, 2015, a letter was sent to Respondent by certified mail, return receipt requested, to the address on file requesting information relating to the termination for cause. The letter was returned to the Department marked "Return to Sender – Unclaimed – Unable to Forward." Respondent should have responded within 20 days and she did not. Respondent's failure to respond to a written request for information by the Department within 20 days is in violation of N.D.C.C. §§ 26.1-26-15 and 26.1-26-42(14).

## VIII

Respondent's actions constitute violations of N.D.C.C. §§ 26.1-26-15, 26.1-26-20, and 26.1-26-42(5), (6), and (14) and are grounds for revocation of Respondent's insurance producer license.

## CONCLUSIONS OF LAW

1. Respondent was properly served with the Complaint in accordance with the North Dakota Rules of Civil Procedure.
2. Because of her failure to answer the Complaint within 20 days of its proper service, Respondent is in default under N.D.C.C. § 28-32-30.
3. Because Respondent is in default, the allegations in the Complaint are deemed admitted pursuant to N.D.C.C. § 28-32-30.
4. Respondent's violations of N.D.C.C. §§ 26.1-26-15, 26.1-26-20, and 26.1-26-42(5), (6), and (14) are grounds for revocation of her insurance producer license.
5. Under N.D.C.C. § 26.1-26-42, the Commissioner of Insurance has authority to revoke Respondent's producer license for the violations cited above.

## DEFAULT ORDER

Based on the foregoing Findings of Fact and Conclusions of Law, IT IS ORDERED that the North Dakota insurance producer license of Grace Smith, NPN 5751545, be **REVOKED** effective after the time for filing a motion to vacate a Default Order pursuant to N.D.C.C. § 28-32-30 expires.

DATED at Bismarck, North Dakota, this 21<sup>st</sup> day of September, 2015.



---

Adam Hamm  
Commissioner  
N.D. Insurance Department  
600 East Boulevard Avenue  
Bismarck, ND 58505  
(701) 328-2440

Handwritten text, mostly illegible due to blurriness. The text appears to be a list or a series of notes, possibly related to a technical or scientific study. Some words are difficult to discern but seem to include terms like "analysis", "results", and "conclusions".

Handwritten signature or initials, possibly "M. J. ...".



**TO:** Grace Smith  
11926 Dupplin Castle Court  
Charlotte, NC 28277-2137

**SENDER:** Jeff Ubben

**REFERENCE:** Grace Smith

9314 8699 0430 0015 8622 84

PS Form 3800, January 2005

RETURN RECEIPT SERVICE	Postage	1.42
	Certified Fee	3.45
	Return Receipt Fee	1.40
	Restricted Delivery	0.00
	Total Postage & Fees	6.27

**USPS®**  
**Receipt for  
Certified Mail®**  
No Insurance Coverage Provided  
Do Not Use for International Mail

POSTMARK OR DATE

8/19/15

English

Customer Service

USPS Mobile

Register / Sign In



# USPS Tracking®



Customer Service ›  
Have questions? We're here to help.



Get Easy Tracking Updates ›  
Sign up for My USPS.

Tracking Number: **9314869904300015862284**

## Product & Tracking Information

**Postal Product:**  
First-Class Mail®

**Features:**  
Certified Mail™

## Available Actions

Return Receipt Electronic

Text Updates

Email Updates

DATE & TIME	STATUS OF ITEM	LOCATION
September 18, 2015 , 9:14 am	Delivered	BISMARCK, ND 58505

Your item was delivered at 9:14 am on September 18, 2015 in BISMARCK, ND 58505.

September 18, 2015 , 12:52 am	Departed USPS Facility	BISMARCK, ND 58504
September 17, 2015 , 5:07 pm	Arrived at USPS Facility	BISMARCK, ND 58504
September 12, 2015 , 11:02 pm	Departed USPS Destination Facility	CHARLOTTE, NC 28228
September 10, 2015 , 11:52 am	Unclaimed/Max Hold Time Expired	CHARLOTTE, NC 28277
August 22, 2015 , 3:20 pm	Notice Left (No Authorized Recipient Available)	CHARLOTTE, NC 28277
August 22, 2015 , 11:18 am	Out for Delivery	CHARLOTTE, NC 28277
August 22, 2015 , 11:08 am	Sorting Complete	CHARLOTTE, NC 28277
August 22, 2015 , 9:14 am	Arrived at Unit	CHARLOTTE, NC 28277
August 21, 2015 , 8:58 am	Arrived at USPS Destination Facility	CHARLOTTE, NC 28228
August 21, 2015 , 8:09 am	Arrived at USPS Facility	CONCORD, NC 28027
August 20, 2015 , 9:20 pm	Departed USPS Facility	CHARLOTTE, NC 28228
August 20, 2015 , 8:58 pm	Arrived at USPS Destination Facility	CHARLOTTE, NC 28228
August 20, 2015 , 5:50 am	Departed USPS Facility	BISMARCK, ND 58504
August 19, 2015 , 10:05 pm	Arrived at USPS Facility	BISMARCK, ND 58504
August 18, 2015	Pre-Shipment Info Sent to USPS	