

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

<b>In the Matter of</b>	)	<b>CEASE AND DESIST ORDER</b>
	)	<b>AND NOTICE OF</b>
<b>Kevin D. Wanner, NPN 5740270,</b>	)	<b>OPPORTUNITY FOR HEARING</b>
<b>and Precision Financial Services,</b>	)	
	)	<b>CASE NO. AG-15-584</b>
<b>Respondents.</b>	)	

**TO: Kevin D. Wanner, 2108 Modesto Circle, Bismarck, ND 58504, and Precision Financial Services, 919 South Seventh Street, Suite 505, Bismarck, ND 58504**

Commissioner of Insurance Adam Hamm ("Commissioner") has determined as follows:

1. N.D.C.C. § 26.1-01-03.1 authorizes the Commissioner to issue an Order to cease and desist when it appears that any person or business entity is or has engaged in an act or practice which violates or may lead to a violation of the North Dakota Century Code.

2. N.D.C.C. title 26.1 regulates the business of insurance and N.D.C.C. ch. 26.1-26 regulates the licensing of insurance producers. The Commissioner has authority in this matter pursuant to N.D.C.C. title 26.1.

3. Kevin D. Wanner ("Wanner"), NPN 5740270, is presently and has been at all times pertinent to this action a licensed North Dakota resident insurance producer. Wanner also apparently does business under the name "Precision Financial Services" ("Precision"). Wanner and Precision hereinafter referred to collectively as "Respondent".

4. N.D.C.C. § 26.1-26-15 states:

**26.1-26-15. License requirement – Character.** An applicant for any license under this chapter must be deemed by the commissioner to be competent, trustworthy, financially responsible, and of good personal and business reputation.

5. 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:

...

6. In the conduct of affairs under the license, the licensee has used fraudulent, coercive, or dishonest practices, or has shown oneself to be incompetent, untrustworthy, or financially irresponsible.

6. The Commissioner has come into information which alleges that Respondent has knowingly and intentionally engaged in the conduct of deceit and fraud against residents of the State of North Dakota in his actions of accepting money and converting to his own use moneys belonging to several clients.

7. Respondent's client, I.R., gave Respondent \$25,000 on or about July 16, 2015, to purchase a certificate of deposit. Employees of the Commissioner examined the certificates of deposit and other certificates of deposit given to clients by Respondent in return for money. All but one certificate of deposit had the same authorized signature and that signature appeared to either be a signature stamp or the entire document was a photocopy; however, these certificates of deposit lacked formal bank letterhead and listed various financial institutions as the issuing institution, such as GE Capital Bk, Citibank Natl, American Express Bk, Goldman Sachs Bk, Discover Bk

Del, American Express Centurion Bk and Ally Bk Ut. Additionally, each of the certificates of deposit were for a 12-month term and each had interest rates in excess of known interest rates proximate to the time of issuance of the certificates of deposit, such as 3%, 3.1%, 2.9%, 3.25%, etc.

8. On or about December 3, 2015, employees of the Commissioner contacted one or more of the banks listed in the preceding paragraph and the Commissioner's employee was told the account number on the certificate of deposit did not match the bank's account number format.

9. Respondent's client, M.J, gave Respondent moneys to purchase certificates of deposit totaling approximately \$160,000. Employees of the Commissioner examined the certificates of deposit and other certificates of deposit given to clients by Respondent in return for money. All but one certificate of deposit had the same authorized signature and that signature appeared to either be a signature stamp or the entire document was a photocopy; however, these certificates of deposit listed various financial institutions as the issuing institution, such as GE Capital Bk, Citibank Natl, American Express Bk, Goldman Sachs Bk, Discover Bk Del, and American Express Centurion Bk and Ally Bk Ut. Additionally, each of the certificates of deposit were for a 12-month term and each had interest rates in excess of known interest rates proximate to the time of issuance of the certificates of deposit, such as 3%, 3.1%, 2.9%, 3.25%, etc.

10. On or about December 3, 2015, employees of the Commissioner contacted one or more of the banks listed in the preceding paragraph and the Commissioner's employee was told the account number on the certificate of deposit did not match the bank's account number format.

11. Based on information received by the Commissioner and examination by Department employees, all certificates of deposit appear to be fraudulent and lacking in the monetary value Respondent's clients provided in exchange for the certificates of deposit.

12. Respondent's conduct shows that he has used fraudulent, coercive, or dishonest practices, or has shown himself to be incompetent, untrustworthy, or financially irresponsible which constitute violations of N.D.C.C §§ 26.1-02.1-02.1, 26.1-04-03, 26.1-26-15, and 26.1-26-42 .

13. Respondent's conduct issuing fraudulent certificates of deposit constitute violations of N.D.C.C §§ 26.1-26-15 and 26.1-26-42.

NOW, THEREFORE, IT IS HEREBY ORDERED pursuant to N.D.C.C. § 26.1-01-03.1 that Respondent, whether acting in the State of North Dakota as an insurer, a risk retention group, a purchasing group, an insurance producer, or otherwise engaging in the business of insurance, either directly or indirectly through named and unnamed persons, entities, agents, or otherwise, shall immediately **CEASE AND DESIST** from soliciting, transacting, or otherwise engaging in the business of insurance with residents of the State of North Dakota.

RESPONDENT IS FURTHER ORDERED to **CEASE AND DESIST** from withdrawing any moneys or other thing of value from any banking or other financial accounts; and from disposing of, selling, encumbering, or otherwise dissipating any of his assets, or assets in which he has any ownership interest.

IT IS FURTHER ORDERED pursuant to N.D.C.C. § 26.1-01-03.1 that Respondent may make a written request for a hearing on this matter within 30 days of the date of this Order.

If the Respondent fails to request a hearing in writing within 30 days after being served with a copy of this Cease and Desist Order, the Commissioner shall make the Cease and Desist Order permanent, as the facts require.

DATED this 4<sup>th</sup> day of December, 2015.



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Adam Hamm  
Commissioner  
N.D. Insurance Department  
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