

OCT 18 2024

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

FILED

STATE OF NEBRASKA)	
DEPARTMENT OF INSURANCE,)	FINDINGS OF FACT, CONCLUSIONS
)	OF LAW, RECOMMENDED ORDER
PETITIONER,)	AND ORDER
)	
VS.)	CAUSE NO. A-2393
)	
LINDSAY COY,)	
(NAIC Producer #17322326),)	
)	
)	
RESPONDENT.)	

This matter came on for hearing on September 17, 2024, before Megan VanAusdall, a hearing officer duly appointed by the Director of the Nebraska Department of Insurance. The Nebraska Department of Insurance (“Department”) appeared through its counsel, Cheryl Wolff. Lindsay Coy (“Respondent”) did not appear and was not represented by counsel. The proceedings were recorded by Shelly Storie, a licensed Notary Public. The Department offered Exhibits 1 and 2 at the hearing, which were received without objection. The Respondent did not offer any exhibits. After the conclusion of evidence, the matter was taken under advisement. The hearing officer makes the following Findings of Fact, Conclusions of Law, and Recommended Order.

FINDINGS OF FACT

1. The Department is the agency of the State of Nebraska charged with licensing insurance producers.
2. Respondent currently holds a non-resident insurance producer’s license in the State of Nebraska. Respondent’s registered business address with the Department is 1801 E 6TH ST STE 200, AUSTIN, Texas 78702-2759, and Respondent’s residential address registered with the

Department is 11350 FOUR POINTS DR APT 1035, AUSTIN, Texas 78726-2238. Respondent's registered business email address is Lcoy@thezebra.com and Respondent's registered personal email address is licensing@thezebra.com (Exhibit 1, Attachment 1)

3. On or about March 9, 2024, the Licensing Department of Petitioner's Office received an alert from the National Insurance Commissioners Association (or "NAIC") indicating that Respondent's non-resident insurance producer's license in South Carolina was revoked for "demonstrated lack of fitness or trustworthiness other states action." (Exhibit 1, Attachment 2)

4. In response, on or about July 17, 2024, the Department's employee, Licensing Administrator Kevin Schlautman, ("Schlautman") performed a search of the Regulatory Information Retrieval System ("RIRS") database, which collects records of regulatory actions by participating states, and found a report showing Respondent's insurance license had been revoked in South Carolina, Mississippi, Idaho, Washington, and (her resident state of) Texas, as well as a license suspension order from Indiana. (Exhibit 1, Attachment 3)

5. On or about June 25, 2024, Schlautman retrieved a copy of Respondent's State Licensing Report from the NAIC, which showed that Respondent's insurance license in her resident state of Texas has an 'inactive' status. (Exhibit 1, Attachment 4)

6. As part of Schlautman's search of the RIRS database, he retrieved copies of the administrative actions issued by the following states (referenced above):

- i. Washington- Cause No. 24-0152: License Revoked on July 12, 2024, for failure to maintain a resident license in good standing, failure to timely report an action to suspend or revoke her license in another state, and for using fraudulent, coercive or dishonest practices, or demonstrating untrustworthiness. (Exhibit 1, Attachment 5)

- ii. South Carolina- Cause No. 23-8831: License Revoked on March 7, 2024 for having a license suspended or revoked in another state and failure to maintain a license in good standing in her home state. (Exhibit 1, Attachment 6)
- iii. Indiana- Cause No. 22453-AD23-0725-031: License Suspended for failure to maintain a license in good standing in her home state, order entered on August 31, 2023. (Exhibit 1, Attachment 7)
- iv. Mississippi- License Revoked for having a license revoked in Respondent's home state, Notice of Revocation issued on August 3, 2023. (Exhibit 1, Attachment 8)
- v. Idaho- Cause No. 18-4289-23: License Revoked for having a license revoked in Respondent's home state on May 10, 2023. (Exhibit 1, Attachment 9)
- vi. Texas- Cause No. 454-23-14422.C: License Revoked for submitting fictitious information to an insurance company, binding an insurance policy without the insured's consent, and failing to respond to Department inquiries on May 2, 2023. (Exhibit 1, Attachment 10)

7. Upon further search of Respondent's licensing record, Schlautman found that Respondent had not disclosed the listed administrative actions to the Nebraska Department of Insurance within the required timeframe. (See Exhibit 1)

8. Respondent has not, as of July 16, 2024, obtained a new resident license in Texas or any other state. (Exhibit 1)

9. On July 10, 2024, the Petition and Notice of Hearing were served upon Respondent by Shelly Storie, (“Storie”), an employee of the Department, by mailing the same to Respondent’s registered business address with the Department, 1801 E 6TH ST STE 200, AUSTIN, Texas 78702-2759, by certified mail, return receipt requested, and by regular mail. A copy was also mailed to her residential address at 11350 FOUR POINTS DR APT 1035, AUSTIN, Texas 78726-2238 by certified mail, return receipt requested, and by regular mail, and via electronic mail to Lcoy@thezebra.com and to licensing@thezebra.com. (See Exhibit 2)

10. On July 25, 2024, the Domestic Return Receipt card associated with the Petition and Notice of Hearing sent to Respondent’s address at 1801 E 6th St, Suite 200, Austin, TX 78702-2759 was returned by the U.S. Postal Service (“USPS”), confirming receipt. (Exhibit 2, Attachment 1)

11. On July 29, 2024, the Petition and Notice of Hearing, as well as the envelope sent to Respondent’s residential address, 11350 FOUR POINTS DR APT 1035, AUSTIN, Texas 78726-2238, via regular U.S. mail was returned to the Department, marked “RETURN TO SENDER, NOT DELIVERABLE AS ADDRESSED, UNABLE TO FORWARD.” (See Exhibit 2, Attachment 2)

12. On August 7, 2024, the Petition and Notice of Hearing sent to Respondent’s residential address via certified mail was returned to the Department, along with its original envelope and certified mail return receipt card, marked “RETURN TO SENDER, NOT DELIVERABLE AS ADDRESSED, UNABLE TO FORWARD.” (See Exhibit 2, Attachment 3)

13. On August 16, 2024, Storie served a copy of the Amended Petition and Notice of Hearing upon Respondent, by mailing the same to Respondent’s registered business address with the Department, 1801 E 6TH ST STE 200, AUSTIN, Texas 78702-2759, by certified mail, return

receipt requested, and by regular mail. A copy was also mailed to Respondent's residential address at "11350 FOUR POINTS DR APT 1035, AUSTIN, Texas 78726-2238," by certified mail, return receipt requested, and by regular mail, and via electronic mail to Lcoy@thezebra.com and to licensing@thezebra.com. (See Exhibit 2)

14. On August 12, 2024, the Department received the domestic return receipt card for the Amended Petition and Notice of Hearing, sent via certified mail to Respondent at "1801 E 6TH ST STE 200, AUSTIN, Texas 78702-2759," signed and confirming delivery. (See Exhibit 2, Attachment 4)

15. On August 21, 2024, the Amended Petition and Notice of Hearing sent to Respondent's residential address, at "11350 FOUR POINTS DR APT 1035, AUSTIN, Texas 78726-2238," via certified mail, was returned to the Department, marked "RETURN TO SENDER, NOT DELIVERABLE AS ADDRESSED, UNABLE TO FORWARD." (See Exhibit 2, Attachment 5)

16. On or about August 28, 2024, the Motion to Continue and Order Granting Motion to Continue, as well as the associated envelope and certified return receipt request card, were returned to the Department, marked "RETURN TO SENDER, NOT DELIVERABLE AS ADDRESSED, UNABLE TO FORWARD." (See Exhibit 2, Attachment 6)

CONCLUSIONS OF LAW

1. The Department has broad jurisdiction, control, and discretion over the licensing of insurance producers in the State of Nebraska pursuant to Neb. Rev. Stat. and 44-4047 to 44-4067.

2. The Department has personal jurisdiction over Respondent.

3. Pursuant to Neb. Rev. Stat. § 44-4059(1), the Director of Insurance may suspend, revoke or refuse to issue or renew an insurance producer's license or may levy an administrative fine . . . for any one or more of the following causes . . . (i) Having an insurance producer license, or its equivalent, denied, suspended, placed on probation, or revoked in Nebraska or any other state, province, district or territory; or, (o) Failing to maintain in good standing a resident license in the insurance producer's home state.

4. Pursuant to Neb. Rev. Stat. § 44-4065(1), an insurance producer shall report to the director any administrative action taken against the producer in another jurisdiction by a professional self-regulatory agency such as the Financial Industry Regulator Authority or a similar organization, or by any other governmental agency within thirty days of the final disposition of the matter. This report shall include a copy of the order, consent to order, or other relevant legal documents.

5. Respondent violated Neb. Rev. Stat. §§ 44-4059(1)(i) & (o), and 44-4065(1) as a result of the conduct set forth in the Findings of Fact.

DISCUSSION

The uncontested evidence shows that Respondent's non-resident insurance producer's license was revoked by administrative action in Washington, South Carolina, Mississippi and Idaho, and suspended in Indiana. Respondent's insurance license as revoked in her resident state of Texas. As Respondent has had an insurance license revoked or suspended in another state, and she has not obtained a new license in her home state of Texas, or in any other state, she is in violation of § 44-4059(1)(i) & (o). Additionally, Respondent did not inform the Department of these administrative actions from other states, as required by law, a violation of § 44-4065(1).

Respondent's failure to appear at the hearing, or even contact the Department before the hearing date, indicates a lack of concern for compliance with Nebraska regulations which justifies decisive action.

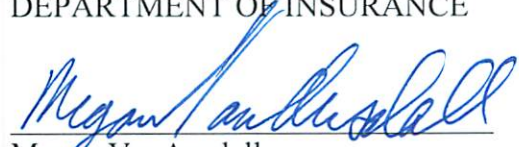
A revocation of Respondent's non-resident insurance producer's license is appropriate in this case.

RECOMMENDED ORDER

Based on the Findings of Fact and Conclusions of Law, it is recommended that Respondent's Nebraska non-resident insurance producer's license be revoked. The Nebraska Department of Insurance shall retain jurisdiction of this matter for the purpose of enabling Respondent or the Department of Insurance to make application for such further orders as may be necessary.

Dated this 10th day of October 2024.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE



Megan VanAusdall
Hearing Officer

CERTIFICATE OF ADOPTION

I have reviewed the foregoing Findings of Fact, Conclusions of Law, and Recommended Order and hereby certify that the Recommended Order is adopted as the official and final Order of this Department in the matter of State of Nebraska, Department of Insurance vs. Lindsay Coy (NAIC Producer # 17322326), Cause No. A-2393.

Dated this 18th day of October 2024.

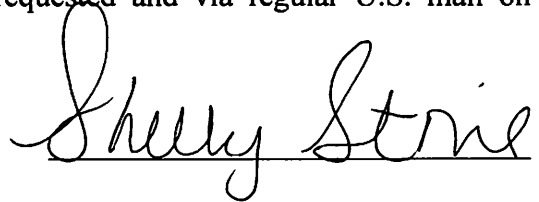
STATE OF NEBRASKA
DEPARTMENT OF INSURANCE



Eric Dunning
Director of Insurance

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Findings of Fact, Conclusions of Law, Recommended Order, and Order was served upon the Respondent by mailing a copy to Respondent's registered business and residential addresses with the 1801 E 6TH ST STE 200, AUSTIN, Texas 78702-2759, and 11350 FOUR POINTS DR APT 1035, AUSTIN, Texas 78726-2238, respectively, via certified mail, return receipt requested and via regular U.S. mail on this 18th day of October 2024.

A handwritten signature in cursive script that reads "Shelly Stone". The signature is written in black ink and is positioned to the right of the text block.