

JUL 13 2015

FILED

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

STATE OF NEBRASKA	)	
DEPARTMENT OF INSURANCE,	)	
	)	CONSENT ORDER
PETITIONER,	)	
	)	
VS.	)	CAUSE NO. A- 2020
	)	
SCOTT A. HEATON, Insurance Producer	)	
No. 266586,	)	
	)	
RESPONDENT.	)	
	)	

In order to resolve this matter, the Nebraska Department of Insurance (“Department”), by and through its attorney Laura L. Arp, and Scott A. Heaton (“Respondent”), mutually stipulate and agree as follows.

JURISDICTION

1. The Department of Insurance (“Department”) is the duly designated agency of the State of Nebraska empowered to exercise jurisdiction and control over the licensing of insurance agents in Nebraska pursuant to Neb. Rev. Stat. § 44-101.01 and § 44-4047 et seq. Said jurisdiction and control have been present at all times material hereto.

2. Respondent Scott A. Heaton is an insurance agent holding an insurance producer’s license issued by the Nebraska Department of Insurance, whose registered business address with the Department of Insurance is 114 E. 3rd Street, P.O. Box 217, Ponca, NE 68770 and whose registered home address with the Department is P.O. Box 153, 221 Washington Street, Ponca, NE 68770.

STIPULATIONS OF FACT

3. The Department initiated this administrative proceeding by filing a petition captioned State of Nebraska Department of Insurance vs. Scott A. Heaton, Cause Number A-2020,

on June 9, 2015. A copy of the Petition and Notice of Hearing was served upon Respondent at the home address he registered with the Department, P.O. Box 153, 221 Washington Street, Ponca, NE 68770, by certified mail, return receipt requested.

4. The Department has jurisdiction over Respondent in the above-described administrative proceeding.

5. Respondent violated Neb. Rev. Stat. § 44-4059(1)(f) and § 44-4059(1)(h) as a result of the following conduct:

- a. In County Court of Dixon County, Nebraska, Case No. CR14-159, Respondent was adjudged guilty of five counts of Insurance Fraud and one count of Attempted Insurance Fraud.
- b. The Court's Order of Probation entered March 16, 2015, attached hereto and incorporated herein by reference, sentenced Respondent to five years of probation under the supervision of a State Probation Officer, with the following additional probation conditions:
 - (i) Fines of \$250.00 for each of the six counts, plus court costs, plus restitution of \$3,929.21 to the Nebraska Department of Insurance, Insurance Fraud Division (Mr. Charles Starr's investigation costs), \$1,500.00 to Dixon County for costs of Special Prosecutor George Hirschbach, plus additional probation program fees;
 - (ii) Crime Victim Empathy Class and 100 hours of community service;
 - (iii) Letters of apology directed to Bradley Krohn, David Hamm, Bradley S. Conrad, Kenny and Lisa Hohenstein, Kevin and Jeanie Hohenstein, David S. Armstrong, [Respondent's victims] and John Kingsbury, President of the

Bank of Dixon County [minority shareholder in Respondent's insurance agency];

(iv) "Defendant not to seek or be employed in any capacity in the insurance business for a period of five (5) years. Defendant is also to maintain employment throughout this term of probation."

6. Respondent violated Neb. Rev. Stat. § 44-4059(1)(h) as a result of the following conduct:

- a. On June 19, 2000, Allied Insurance informed Respondent in a letter sent by certified mail, return receipt requested, "Effective immediately, and no later than the date affixed to this letter, all binding authority of Your Agency is hereby terminated, except as defined in section XI, B of your Agency Agreement. . . . "Non-renewal notices will be mailed to your insureds 60 days prior to the expiration date of their policy(ies)."
- b. In 2011, 2012, and 2013, Respondent signed several ACORD Certificate of Liability Insurance forms and Nebraska Insurance Identification Cards in which Respondent stated that Kevin Hohenstein DBA Hohenstein Construction and Kevin Hohenstein Construction & Hauling LLC, and a Ford F250 pickup and International 4300 truck owned by Kevin Hohenstein Construction & Hauling, were covered by Allied Insurance purchased by Respondent's agency, BDC Insurance Agency.
- c. During the time those Certificates of Liability Insurance and Nebraska Insurance Identification Cards were prepared and signed by Respondent, he did not have binding authority with Allied Insurance or issue any Allied Insurance policies.

7. In the spirit of cooperation and in order to avoid further expense and loss of time, Respondent enters into this Consent Order freely and voluntarily. Respondent was informed of his right to a public hearing. Respondent waives his right to a hearing and acknowledges that by doing so, Respondent also waives its right to confrontation of witnesses, production of evidence, and judicial review.

8. Respondent admits the allegations set forth in this Consent Order, and Respondent is willing to amicably resolve all pending matters to avoid the uncertainty and expense of litigation.

CONCLUSIONS OF LAW

Respondent's conduct as stipulated above was in violation of Neb. Rev. Stat. § 44-4059(1)(f) and § 44-4059(1)(h).

CONSENT ORDER

It is therefore ordered by the Director of Insurance and agreed by the Respondent, Scott A. Heaton, that Respondent's Nebraska insurance producer's license is hereby revoked.

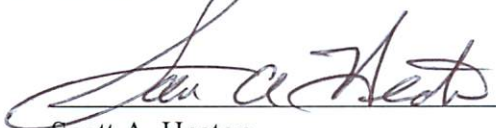
The Department of Insurance will continue to retain jurisdiction over this matter. If Respondent takes any action inconsistent with this Consent Order, additional administrative action shall be taken by the Petitioner. In witness of their intention to be bound by this Consent Order, each party has executed this document by subscribing his/her signature below.



Laura L. Arp, #24649
Attorney for Petitioner
941 O Street, Suite 400
Lincoln, NE 68508
402-471-4635

7/9/15

Date



Scott A. Heaton
Respondent
P.O. Box 153
221 Washington Street
Ponca, NE 68770

7/3/15

Date

STATE OF NEBRASKA)
) ss.
COUNTY OF Lancaster)

On this 3 day of July, 2015, Scott Heaton personally
appeared before me Scott A. Heaton, who read and executed this Consent Order and acknowledged
the same to be his voluntary act and deed.





Notary Public

CERTIFICATE OF ADOPTION

I hereby certify that the foregoing Consent Order is adopted as the Final Order of the Nebraska Department of Insurance in the matter of State of Nebraska Department of Insurance v. Scott A. Heaton, Cause No. A-2020.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE

Bruce R. Ramge

BRUCE R. RAMGE
Director of Insurance

7-13-2015

Date

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Consent Order was served upon Respondent by mailing a copy to Respondent's current mailing address at 4720 Bryson Street, Lincoln, NE 68510, by certified mail, return receipt requested, on this 13 day of July, 2015.

Brandis Course