

MAY 09 2016

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

FILED

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE,

PETITIONER,

VS.

KREESAN REDDY
(NAIC National Producer #15712373),

RESPONDENT.

CONSENT ORDER

CAUSE NO. A-2038

In order to resolve this matter, the Nebraska Department of Insurance ("Department"), by and through its attorney, Krystle Ledvina Garcia, and Kreesan Reddy ("Respondent"), mutually stipulate and agree as follows:

JURISDICTION

1. The Department has jurisdiction over the subject matter and Respondent pursuant to Neb. Rev. Stat. §§ 44-101.01, and 44-4047 to 44-4067 (Reissue 2010).

2. Respondent was licensed as an insurance producer under the laws of Nebraska at all times material hereto.

STIPULATIONS OF FACT

1. The Department initiated this administrative proceeding by filing a petition styled State of Nebraska Department of Insurance vs. Kreesan Reddy (NAIC National Producer # 15712373), Cause Number A-2038 on April 28, 2016. A copy of the petition was served upon the Respondent at Respondent's registered business and residence address by certified mail, return receipt requested, and by regular U.S. mail.

2. Respondent is alleged to have violated Neb. Rev. Stat. §§ 44-4059(1)(a), 44-4059(1)(b), and 44-4059(1)(h) (Reissue 2010) as follows:

- a. On or about April 27, 2007, Cruise International Inc., Respondent's former employer, filed suit against Respondent in Case No. 07 L 004361 in the Circuit Court of Cook County, Illinois. The complaint included counts of Breach of Fiduciary Duty, Tortious Inducement to Breach Fiduciary Duties, and Fraud.
- b. On or about March 22, 2010, Respondent applied for a Nebraska resident producer license. Respondent answered "no" to Background Question number 5 which specifically states: "Are you currently a party to, or have you ever been found liable in any lawsuit or arbitration proceeding involving allegations of fraud, misappropriation or conversion of funds, misrepresentation, or breach of fiduciary duty?"
- c. On or about December 7, 2012, an Order of Judgment was entered against Respondent in Case No. 07 L 004361, *Cruise International, Inc., et. al. v. Kreesan Reddy, et. al.*, in the Circuit Court of Cook County, Illinois. The Judgment entered was in Plaintiffs' favor against Respondent and established liability on all counts alleged against Respondent including Breach of Fiduciary Duty, Fraudulent Concealment, and Conspiracy to Defraud. Respondent was ordered to pay damages to the Plaintiffs in the amount of \$123,010.67.
- d. On or about April 29, 2015, Respondent submitted a renewal application for his Nebraska producer license. Respondent answered "no" to Background Question 5 on the application which specifically states: "Are you currently a party to, or have you ever been found liable in any lawsuit, arbitrations, or mediation proceeding involving allegations of fraud, misappropriation or conversion of funds, misrepresentation, or breach of fiduciary duty?"

3. Respondent was informed of his right to a public hearing. Respondent waives that right and enters into this Consent Order freely and voluntarily. Respondent understands and acknowledges that by waiving his right to a public hearing, Respondent also waives his right to confrontation of witnesses, production of evidence, and judicial review.

4. Respondent admits the allegations stated in Paragraph 2.

CONCLUSIONS OF LAW

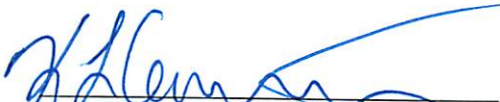
Respondent's conduct as alleged above constitutes violations of Neb. Rev. Stat. §§ 44-4059(1)(a), 44-4059(1)(b), and 44-4059(1)(h) (Reissue 2010).

CONSENT ORDER

It is therefore ordered by the Director of Insurance and agreed by Respondent, Kreesan Reddy, that:

1. Respondent shall pay an administrative fine in the amount of two hundred dollars (\$200.00) due within 60 days after the Director of Insurance or his designee approves and signs this consent order. If Respondent fails to pay the amount required under this consent order within the time specified, additional administrative action shall be taken by the Petitioner, which shall include revocation of Respondent's insurance producer license.

In witness of their intention to be bound by this Consent Order, each party has executed this document by subscribing his signature below.



Krystle Ledvina Garcia, #23947
Attorney for Petitioner
941 "O" Street, Suite 400
Lincoln, NE 68508
(402) 471-2201



Kreesan Reddy
Respondent

5/9/16

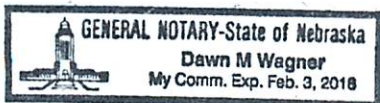
Date

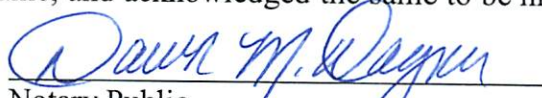
5/5/16

Date

State of NEBRASKA)
County of SARPY) ss.
)

On this 5th day of MAY, 2016, Kreesan Reddy personally appeared before me and read this Consent Order, executed the same, 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. Kreesan Reddy (NAIC National Producer Number 15712373), Cause No. A-2038.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE

Bruce R. Range

Bruce Range
Director of Insurance

5-9-2016

Date

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Consent Order was served upon Respondent by mailing a copy to his registered business address and registered residence address at 10011 South 170th Street, Omaha, NE 68136 via certified mail, return receipt requested, and by regular U.S. mail, on this 9 day of May, 2016.

Brandis J. Couser

RECEIVED

MAY 09 2016

**NEBRASKA DEPARTMENT
OF INSURANCE**