

MAY 01 2025

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

FILED

STATE OF NEBRASKA)	
DEPARTMENT OF INSURANCE,)	FINDINGS OF FACT,
)	CONCLUSIONS OF LAW,
PETITIONER,)	RECOMMENDED ORDER AND
)	ORDER
VS.)	
)	CAUSE NO. A-2419
ZEPHANIAH WILLIAMS)	
(NAIC Producer #19847344))	
)	
)	
)	
RESPONDENT.)	

This matter came on for hearing on April 29, 2025, before Michael W. Anderson, a hearing officer duly appointed by the Director of the Nebraska Department of Insurance. The Nebraska Department of Insurance ("Department") was represented by its counsel, Megan VanAusdall. Zephaniah Williams ("Respondent") was not present and was not represented by counsel. The proceedings were recorded by Shelly Storie, a licensed Notary Public. The Department presented evidence at the hearing and 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 is a licensed non-resident insurance producer. Respondent's registered business and mailing address with the Department is 1000 W SAINT JOSEPH ST STE 300, LANSING, Michigan 48915, and Respondent's registered residential address

with the Department is 2739 TRAPPERS COVE TRAIL, APT 3A, LANSING, Michigan 48910. (Ex. 1, Attachment 1)

3. On or about May 31, 2024, Petitioner's Office was notified via a letter sent by email from the Regulatory Insurance Records System ("RIRS") that Respondent's license in Arkansas was revoked for "Demonstrated lack of fitness or trustworthiness." Subsequently, Petitioner's Office, through employee Kevin Schlautman, conducted a search of the RIRS Database to show that the revocation was due to Respondent submitting life insurance applications that contained fraudulent information like false payment information, address, dates of birth, and phone numbers. (Ex. 1, Attachment 2)

4. As of February 1, 2025, Respondent had not reported the action to Petitioner's Office within the time period required by statute. (Ex. 1)

5. On or about January 27, 2025, the Petitioner's Officer served a copy of the Petition and Notice of Hearing upon Respondent, Zephaniah Williams, addressed to his registered address at 1000 W Saint Joseph Street, Suite 300, Lansing, Michigan 48915, by certified mail, return receipt requested and by regular mail. (Ex. 2)

6. On or about February 11, 2025, the letter sent by regular U.S. mail was returned by the United States Postal Service ("USPS"), marked "RETURN TO SENDER, NOT DELIVERABLE AS ADDRESSED, UNABLE TO FORWARD." (Ex. 2, Attachment 1)

7. On or about March 3, 2025, the letter sent by certified mail to Respondent's registered address, return receipt requested was returned to the Petitioner's Office by USPS, marked "RETURN TO SENDER, ATTEMPTED – NOT KNOWN, UNABLE TO FORWARD, SORT IN MANUAL ONLY NO AUTOMATION." (Ex. 2, Attachment 2)

8. On or about March 11, 2025, Petitioner's Office served a copy of a Motion to Continue and an Order Granting Motion to Continue upon the Respondent, addressed to his registered business/mailing address and residential address on file with the Respondent. (Ex. 2, Attachment 3)

a. On April 3, 2025, the letter sent certified to the business/mailing address of the Respondent was returned to Petitioner's office as "RETURN TO SENDER, NOT DELIVERABLE AS ADDRESSED, UNABLE TO FORWARD". (Ex. 2, Attachment 3)

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. §§ 44-101.01 and 44-4047 et seq.

2. The Department has personal jurisdiction over Respondent.

3. Pursuant to Neb. Rev. Stat. § 44-4059(1), the Director may levy an administrative fine against, or suspend or revoke the license of an insurance producer's license if it is found that the producer has violated any insurance law.

4. Pursuant to Neb. Rev. Stat. § 44-1525 (11), it shall be unfair trade practice in the business of insurance of any insurer if they demonstrate the "failing of any insurer, upon receipt of a written inquiry from the department, to respond to such inquiry or request additional reasonable time to respond within fifteen working days."

5. Respondent may be found to have violated Neb. Rev. Stat. § 44-4059(1)(b) as a result of the conduct as alleged in paragraphs 1-8 in the Findings of Fact, however service to the Respondent in this case proves fatal to the action.

DISCUSSION

At the hearing, the Department presented evidence of service of notice of these proceedings upon Respondent. The Department served Respondent via certified mail, return receipt requested and regular U.S. mail to the Respondent's registered ***business/mailling and residential*** (emphasis added) addresses. Based upon the evidence of record, the Department's service of the petition and notice of hearing upon Respondent at the registered business/mailling address was insufficient, regardless of whether Petitioner's Office has jurisdiction over the actions of the Respondent in this matter.


Evidence introduced into the record, specifically the affidavit of Shelly Storie and the attachment thereto (Ex. 3, Attachment 3) provides that the Petition, Notice of Hearing, Motion to Continue, and Order Granting Motion to Continue were all sent to the listed business/mailling address on file for the Respondent. An issue presents itself here, as the Department of Insurance discovered that the Respondent's non-resident license in the State of Arkansas had been revoked, giving reason to believe that the Respondent may not be actively located at his listed business address. Also registered with the Department was a residential address for the Respondent, with which proof of service would ensure that the Respondent was adequately served. While Mrs. Storie's affidavit states that the Motion to Continue and Order Granting was mailed certified to that listed residential address, no evidence exists in the record to confirm service to that address. Therefore, Petitioner's Office has not shown service of this action.

RECOMMENDED ORDER

Based on the Findings of Fact and Conclusions of Law, it is recommended that this case be dismissed without prejudice to allow Petitioner's Office to reattempt service of the action if it should deem to do so.

Dated this 1st day of May, 2025.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE



Michael W. Anderson
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. Zephaniah Williams (NAIC Producer #19847344), Cause No. A-2419.

Dated this 1st day of May, 2025.

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 addresses, 1000 W SAINT JOSEPH ST STE 300, LANSING, Michigan 48915, and 2739 TRAPPERS COVE TRAIL, APT 3A, LANSING, Michigan 48910, via certified mail, return receipt requested and via regular U.S. mail on this 1st day of May, 2025.

Sherry Storie

MEMORANDUM FOR THE RECORD

On March 10, 1944, the following was discussed in the meeting of the Board of Directors of the American Red Cross, Inc., held at the headquarters of the organization, 1700 Broadway, New York City, New York.

The Board of Directors of the American Red Cross, Inc., held a meeting on March 10, 1944, at the headquarters of the organization, 1700 Broadway, New York City, New York.

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