

SEP 01 2020

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-2223
	)	
DANIELLE CARTER,	)	
(NAIC Producer #17813461),	)	
	)	
RESPONDENT.	)	

This matter came on for hearing on August 24, 2020, before Thomas C. Green II, a hearing officer duly appointed by the Director of the Nebraska Department of Insurance. The Nebraska Department of Insurance ("Department") appeared through its counsel, Michael W. Anderson. Danielle Carter ("Respondent") appeared and was not represented by counsel. The proceedings were recorded by Shelly Storie, a licensed Notary Public. The Department offered Exhibits 1 through 3 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 is a licensed resident insurance producer. Respondent's registered residence business and home address with the Department is 7331 N. 90<sup>th</sup> Street, Omaha, Nebraska 68122. (Ex. 2).

3. On or about June 12, 2020, the Petition and Notice of Hearing was served upon Respondent by mailing the same to her registered address, by certified mail, return receipt requested, and via regular U.S. mail. (Ex. 3)

4. On or about June 23, 2020, the Domestic Return Receipt attached to the Petition and Notice of Hearing mailed to Respondent's registered address was returned to the Department by the United States Postal Service ("USPS") evidencing delivery. (Ex.3, Attachment 1)

5. On or about July 23, 2020, an Order Granting Motion for Continuance ("Continuance") of the hearing until August 24, 2020 was sent to Respondent at her registered address with the Department via certified mail, return receipt requested and regular U.S. mail. (Ex 3)

6. On February 18, 2020, Respondent was terminated from United Home Life Insurance Company ("United") due to suspicious activities, including:

a. Electronic Fund Transfer authorization forms ("EFT Forms") that accompanied twelve different applications submitted by the Respondent contained the exact same bank and account number. The bank and account number identified on the EFT Forms was the exact same account that the Respondent had on file with United for payment of commissions.

b. United was unable to confirm, through verification with a third party service and/or by sending correspondence directly to the parties named on some of the submitted applications, that any of the addresses and applicants included on the submitted applications were valid. (Ex. 1, Attachment 1)

7. An investigation completed by CoventBridge Group SIU substantiated that the Respondent had impersonated life insurance applicants during recorded telephonic personal medical history interviews. (Ex. 1, Attachment 2)

8. The Respondent's bank account that was included on the various ETF Forms submitted by the Respondent was not formally set up as a trust account through the Respondent's financial institution. (Respondent testimony)

### 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)(b), the director may suspend or revoke an insurance producer's license, or may levy an administrative fine for violating any insurance law or violating any rule, regulation, subpoena, or order of the director or of another state's insurance commissioner or director.

4. Pursuant to Neb. Rev. Stat. § 44-4059(1)(g), the director may suspend or revoke an insurance producer's license, or may levy an administrative fine for having admitted or been found to have committed any insurance unfair trade practice, any unfair claims settlement practice, or fraud.

5. Pursuant to Neb. Rev. Stat. § 44-4059(1)(h), the director may suspend or revoke an insurance producer's license, or may levy an administrative fine for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere.

6. Pursuant to Neb. Rev. Stat. § 44-1524(1), it shall be an unfair trade practice in the business of insurance for any insurer to commit any act or practice defined in section 44-1525 if

the act or practice is committed flagrantly and in conscious disregard of the Unfair Insurance Trade Practices Act or any rule or regulation adopted pursuant to the act.

7. Pursuant to Neb. Rev. Stat. §44-1525(10), if committed in violation of section 44-1524, making false or fraudulent statements or representations on or relative to an application for a policy for the purpose of obtaining a fee, commission, money, or other benefit from any insurer, agent, broker, or individual person shall be an unfair trade practice in the business of insurance.

8. Respondent violated Neb. Rev. Stat. §§ 44-4059(1)(b), 44-4059(1)(g), 44-4059(1)(h), and 44-1525(10) as a result of the conduct set forth in paragraphs 6 through 8 of the Findings of Fact.

### DISCUSSION

The uncontested evidence shows that Respondent submitted applications for insurance in which the included information was knowingly and intentionally false. Further, Respondent even went so far as to include her own bank account information on the applications. While the Respondent claimed in her written response to the Department that “the bank account was set up as a trust account” (Exhibit 1, Attachment 4), Respondent admitted at the hearing that she did not set up the bank account as a trust account through her financial institution. Respondent’s actions, which are at best classified as incompetent or dishonest, were committed flagrantly and in conscious disregard of Nebraska law. Respondent’s actions demonstrate a high level of dishonest and untrustworthy conduct incompatible with the high ethical and moral standards required of an insurance producer.

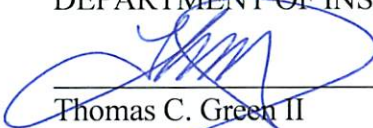
Based on the serious nature of the evidence presented, and considering the totality of the circumstances involved, revocation of Respondent’s resident insurance producer license is appropriate in this case.

RECOMMENDED ORDER

Based on the Findings of Fact and Conclusions of Law, it is recommended that Respondent's Nebraska resident insurance producer 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 26th day of August, 2020.

STATE OF NEBRASKA  
DEPARTMENT OF INSURANCE

  
\_\_\_\_\_  
Thomas C. Green II  
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. Danielle Carter (NAIC Producer #17813461), Cause No. A-2223.

Dated this 1 day of ~~August~~ <sup>September</sup>, 2020.  
*BRR*

STATE OF NEBRASKA  
DEPARTMENT OF INSURANCE

  
\_\_\_\_\_  
Bruce R. Ramge  
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 were provided to the Respondent at the Respondent's registered business and home address, 7331 N. 90<sup>th</sup> Street, Omaha, Nebraska 68122, via regular U.S. mail on this 3<sup>rd</sup> day of September, 2020.

Sherry Storie