

JUL 01 2021

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

FILED

STATE OF NEBRASKA)	
DEPARTMENT OF INSURANCE,)	
)	FINDINGS OF FACT,
PETITIONER,)	CONCLUSIONS OF LAW,
)	RECOMMENDED ORDER AND
)	ORDER
VS.)	
)	CAUSE NO. A-2260
KANEISHA GADSON)	
(NAIC Producer #19016326),)	
)	
)	
RESPONDENT.)	

This matter came on for hearing on June 24, 2021, before Tracy A. Burns, 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, Michael Anderson. Kaneisha Gadson ("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 non-resident insurance producer. Respondent's registered mailing address with the Department is 18622 Beech Daly Road, Redford, Michigan, 48240. (Ex. 2, Attachment 1).

3. On or about May 5, 2021, the Petition and Notice of Hearing was served upon Respondent by mailing the same to her registered mailing address by certified mail, return receipt requested, and via regular U.S. mail. (Ex. 3).

4. On or about May 12, 2021, the Amended Petition and Notice of Hearing was served upon Respondent by mailing the same to Respondent's registered address by certified mail, return receipt requested, and via regular U.S. mail (Ex. 3).

5. On or about May 19, 2021, the Domestic Return Receipt attached to the Petition and Notice of Hearing mailed to Respondent's mailing address was returned to the Department by the United States Postal Service ("USPS), confirming delivery. (Ex. 3, Attachment 1).

6. On or about May 19, 2021, the Domestic Return Receipt attached to the Amended Petition and Notice of Hearing mailed to Respondent's mailing address was returned to the Department by the USPS, confirming delivery (Ex. 3, Attachment 2).

7. On or about September 22, 2020, the Department received a notification from The Auto Club Group ("ACG") that Respondent's appointments with Auto Club Insurance Association, Memberselect Insurance Company, The Auto Club Group and Auto Club Group Insurance Company were terminated as of August 27, 2020. (Ex. 1, Attachment 1).

8. On or about August 5, 2020, the SIU investigator for ACG interviewed Respondent regarding a report that an employee was selling bad insurance policies. The investigator reviewed Respondent's work emails and found evidence of Respondent forwarding customer policy information to her personal email. The SIU investigator located six (6) emails within Respondent's sent folder that included ACG customer policy information and customer addresses. The investigator determined the names on the policies in

Respondent's information included names that did not correlate with the policies and information for an invalid policy. In addition, Respondent was found to have changed her paystub by changing the payee to her brother. Respondent's brother does not work for ACG, however, the changed paystub gave the impression that he did. (Ex. 1, Attachment 2).

9. Respondent could not provide an answer to why the "doctored" documents were sent from her work account to her personal email account. The investigator determined that Respondent sold fake proofs of insurance so her family could obtain license plates in Michigan. Respondent was suspended and then terminated. (Ex. 1, Attachment 2).

10. Respondent was suspended and her appointments were subsequently terminated.

11. On or about November 17, 2020, The Department Consumers Affairs Division Investigator, John ("Koenig"), forwarded an inquiry letter to Respondent requesting information and a response to ACG'S notification. The letter included a statement that failure to respond within 15 working days was a violation of the Nebraska Fair Trade Practices Act. (Ex. 1, Attachment 3).

12. On or about December 11, 2020, Koenig forwarded another letter, via certified mail, to Respondent requesting the same information (Ex. 1, Attachment 4).

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)(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.

4. 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.

5. Pursuant to Neb. Rev. Stat. § 44-1524, 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 (1) is committed flagrantly and in conscious disregard of the Unfair Trade Practices Act.

6. Pursuant to Neb. Rev. Stat. § 44-1525(11), if committed in violation of § 44-1524, it shall be an unfair trade practice in the business of insurance if the insurer fails, upon the receipt of a written inquiry from the department, to respond to such inquiry or request additional time to respond within fifteen working days.

7. Respondent violated Neb. Rev. Stat. §§ 44-4059(1)(g), 44-4059(1)(h), 44-1524, and 44-1525(11) as a result of the conduct set forth in paragraphs 7 through 12 of the Findings of Fact.

DISCUSSION

The Department provided sufficient evidence to show that Respondent received reasonable notice of these proceedings. The evidence shows that Respondent failed to respond to the Department inquiries related to the termination of agent appointments in violation of Nebraska Insurance Statutes.

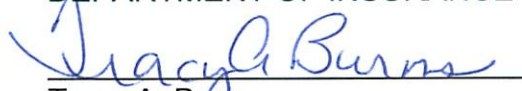
Further, the evidence showed that Respondent used ACG client information to create false insurance information for other persons. Included in preparing the false insurance information, Respondent sent the information from her work email to a personal email account. These actions indicate and show untrustworthiness and dishonest practices in the business of insurance. The Department's attorney recommended revocation of Respondent's non-residence insurance producer license. Given the nature of the conduct, the Hearing Officer will accept the recommendation.

RECOMMENDED ORDER

Based on the Findings of Fact and Conclusions of Law, it is recommended that Respondent's non-resident producer license be revoked. Respondent shall notify her resident state and other states where she is licensed of this administrative action. 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 1st day of July, 2021.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE


Tracy A. Burns
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. Kaneisha Gadson (NAIC Producer #19016326), Cause No. A-2260.

Dated this 1st day of July, 2021.

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 mailing address, 18622 Beech Daly Road, Redford, Michigan 48240, via certified mail, return receipt requested and via regular U.S. mail on this 1st day of July, 2021.

