

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

FEB 15 2012

FILED

STATE OF NEBRASKA)	
DEPARTMENT OF INSURANCE,)	
)	
PETITIONER,)	FINDINGS OF FACT,
)	CONCLUSIONS OF LAW,
vs.)	RECOMMENDED ORDER
)	AND ORDER
)	
TIMOTHY W. THOMAS,)	CAUSE NO. A-1934
NAIC National Producer # 2789733)	
)	
RESPONDENT.)	

This matter came for hearing on the 14th day of February, 2012, before Eric Dunning, a hearing officer duly appointed by the Director of the Nebraska Department of Insurance. The Department of Insurance (“Department”) was represented by its attorney, Joel Green. Timothy W. Thomas (“Respondent”) was not present and was not represented by counsel. The proceedings were tape recorded by Tracy Gruhn, a licensed Notary Public. The Department presented evidence at the hearing and the matter was taken under advisement. The hearing officer hereby 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 whose registered business address with the Department is United Benefits of America, LLC, 501 Plus Park Blvd.,

Nashville, TN, 37211; and whose registered home address is 14 Tradition Lane, Brentwood, TN 37027. (See Ex. 1)

3. On or about December 28, 2011, a Petition and Notice of Hearing in this matter was served upon Respondent by mailing the same to his registered business via certified mail, return receipt requested, and to his registered home address by regular U.S. mail. (See Ex. 2)

4. On or about January 6, 2012, the certified letter containing the Petition and Notice of Hearing was returned to the Department by the United States Postal Service (“USPS”) marked as “Insufficient Address.” (See Ex. 2)

5. As of February 14, 2012, the letter containing the Petition and Notice of Hearing sent by regular U.S. mail was not returned to the Department by the USPS, nor had the Department received notification that the letter was undeliverable. (See Ex. 2)

6. On September 26, 2011, the United States District Court for the Middle District of Tennessee entered and approved a Stipulated Final Order for Permanent Injunction and Monetary Judgment against United States Benefits, LLC, Timothy Thomas, and Kennan Dozier (“Final Order”) in Case No. 3:10-0733, *Federal Trade Commission, et al., v. United States Benefits, LLC, et al.* (See Ex. 2)

7. Respondent failed to notify the Department of the adoption of the Final Order in the above-referenced matter within thirty days from the date of the order. (See Ex. 1)

CONCLUSIONS OF LAW

1. The Department has broad jurisdiction, control and discretion over the licensing of insurance producers to sell insurance 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. NEB. REV. STAT. § 44-4065(1) (Reissue 2010) states that “[a]n insurance producer shall report to the director any administrative action taken against the producer in another jurisdiction, by a professional self-regulatory authority such as the Financial Industry Regulatory Authority or a similar organization, or by another governmental agency within thirty days of the final disposition of the matter. This report shall include a copy of the order, consent to order, or other relevant legal documents.”

4. Respondent’s failure to notify the Department within thirty days from the date of the Final Order in the United States District Court Middle District of Tennessee Case No. 3:10-0733, *Federal Trade Commission, et al., v. United States Benefits, LLC, et al.* is a violation of NEB. REV. STAT. § 44-4065(1).

5. NEB. REV. STAT. § 44-4059(1)(b) (Reissue 2010) states that the Director may revoke or suspend a producer’s license and/or impose a fine upon a licensee for “[v]iolating any insurance law or violating any rule, regulation, subpoena, or order of the director or of another state’s insurance commissioner or director.”

6. Respondent’s aforementioned violation NEB. REV. STAT. § 44-4065(1) constitutes a violation of NEB. REV. STAT. § 44-4059(1)(b).

RECOMMENDED ORDER

Based on the Findings of Fact and Conclusions of Law, it is recommended that Respondent pay an administrative fine in the amount of one thousand dollars (\$1,000) within thirty days from the date the director of insurance adopts this order. The Nebraska Department of Insurance will continue to retain jurisdiction over this matter until all provisions of this order have been complied with.

Dated this 15th day of February, 2012.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE



ERIC DUNNING
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 the Department in the matter of State of Nebraska Department of Insurance vs. Timothy W. Thomas, Cause No. A-1934.

Dated this 15th day of February, 2012.

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 was served upon Respondent at United Benefits of America, LLC, 501 Plus Park Blvd., Nashville, TN 37211, by certified mail return receipt requested; and at 14 Tradition Lane, Brentwood, TN 37027, by first class U.S. mail on this 15th day of February, 2012.

A handwritten signature in blue ink, reading "Tracy A. Luhn", is written over a horizontal line.