

MAY 03 2012

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

FILED

STATE OF NEBRASKA)	
DEPARTMENT OF INSURANCE,)	
)	
PETITIONER,)	CONSENT ORDER
)	
VS.)	
)	
PETER T. SANDMAN,)	CAUSE NO. A-1947
NAIC National Producer #278079)	
)	
RESPONDENT.)	

In order to resolve this matter, the Nebraska Department of Insurance ("Department"), by and through its attorney, Michael C. Boyd and Peter T. Sandman, ("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, et seq.
2. Respondent was licensed as an insurance agent under the laws of Nebraska at all times material hereto. Respondent's registered business address with the Department is Pennsylvania Life Insurance Company, 600 N. Derby Lane, Suite 201, P. O. Box 1940, North Sioux City, SD 57049. His registered home address with the Department is 2133 Heights, Sioux City, IA 51104.

STIPULATIONS OF FACT

1. The Department initiated this administrative proceeding by filing a petition styled State of Nebraska Department of Insurance vs. Peter T. Sandman, Cause Number A-1947, on April 20, 2012. A copy of the petition was served upon the Respondent at the Respondent's business address

registered with the Department by certified mail, return receipt requested and Respondent's home address registered with the Department by First Class U.S. Mail.

2. Respondent violated Neb. Rev. Stat. §§44-4059(1)(b) and 44-5905(2)(b)(i)(B) as a result of the following conduct:

- a. In February, 2011, the Nebraska Department of Insurance received a complaint, regarding the solicitation and sale by Respondent in December, 2010 of 2 whole life insurance policies to an 85 year old insured("MBB"), filed by the insured's cousin who had Power of Attorney. Scot Zager (Zager), an insurance investigator with the Department's Consumer Affairs Division was assigned to investigate the case.
- b. Based upon that complaint, Zager sent Respondent a letter on April 5, 2011 that inquired, among certain things, how Respondent evaluated elderly clients for possible fragility/vulnerability and determined if recommended life insurance policy appropriate and affordable.
- c. On April 16, 2011, Respondent responded. In that statement, Respondent indicated that he utilized a document he referred to as a "policy survey sheet". Respondent noted that the client's responses to the questions on the "policy survey sheet" give a good understanding of the client's mental capacity, as well as the suitability of the solicited insurance coverage to the client's finances. However, the Respondent further noted that he didn't retain that "policy survey sheet" that was filled out when he visited with the insured("MBB") during the solicitation of the life insurance policies referenced in subparagraph 5a above, as he shredded that document. Respondent, in effect, admitted that he failed to retain paper/document ("policy survey sheet") relating to the life insurance transaction with insured("MBB").

3. Respondent violated Neb. Rev. Stat. §44-4054(8) as a result of the following conduct:

a. Respondent's registered business address changed from Pennsylvania Life Insurance Company, 700 4th Street, Suite 500, Sioux City, IA 51101 to Pennsylvania Life Insurance Company, 600 N. Derby Lane, Suite 201, P. O. Box 1940, North Sioux City, SD 57049 on or about November 1, 2010. Respondent failed to notify the Department of the change of his registered business address within thirty days after that change.

4. Respondent was informed of the 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 the right to a public hearing, Respondent also waives the right to confrontation of witnesses, production of evidence, and judicial review.

5. Respondent admits the allegations stated in Paragraphs 2 and 3.

CONCLUSIONS OF LAW

Respondent's conduct as alleged above constitutes violations of Neb. Rev. Stat. §§44-4059(1)(b), 44-5905(2)(b)(i)(B) and 44-4054(8).

CONSENT ORDER

It is therefore ordered by the Director of Insurance and agreed to by Respondent, Peter T. Sandman, that Respondent shall pay an administrative fine of seven hundred and fifty dollars (\$750). The fine shall be paid in total within thirty (30) days from the date the Director of the Department of Insurance affixes his signature to this document and approves said consent agreement. The Nebraska Department of Insurance shall retain jurisdiction of this matter for the purpose of enabling the Respondent or the Department to make application for such further orders as may be necessary. If Respondent fails to pay this fine in the time specified by this Consent Order, his Nebraska insurance producer license shall automatically be suspended. In witness of their intention to be bound by this Consent Order, each party has executed this document by subscribing their signature below.

Michael C. Boyd
Michael C. Boyd, #10934
Attorney for Nebraska
Department of Insurance
941 O Street, Suite 400
Lincoln, Nebraska 68508
(402) 471-2201

Peter Sandman
Respondent

4-27-12
Date

MAY 2, 2012
Date

State of Iowa)
) ss.
County of Woodbury)

On this 27 day of April, 2012, Peter T. Sandman, personally appeared before me and read this Consent Order, executed the same and acknowledged the same to be his voluntary act and deed.



Trisha Van de Steeg
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 vs. Peter T. Sandman, Cause No. A-1947.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE

Bruce R. Range
Bruce R. Range
Director of Insurance

5-3-2012
Date

CERTIFICATE OF SERVICE

I hereby certify that a copy of the executed Consent Order was sent to the Respondent, at 2133 Heights, Sioux City, IA 51104, by certified mail, return receipt requested on this 3rd day of May, 2012.

Tracy A. Laska