

MAR 02 2022

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-2280
SNAPNSURE INS SERVICES, LLC,	)	
(NAIC Producer #18410231)	)	
(MGA License # 10271576),	)	
	)	
	)	
RESPONDENT.	)	

This matter came on for hearing on March 1, 2022, before Seth J. Felton, 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 W. Anderson. Snapnsure Insurance Services, LLC, ("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 Managing General Agents.
2. Respondent currently holds a non-resident Managing General Agent ("MGA") license in the State of Nebraska. Respondent's registered mailing address with the Department is 26895 Aliso Creek Road, Suite B-439, Aliso Viejo, California, 92656.

Respondent's registered business address with the Department is 919 North Market Street, Suite 425, Wilmington, Delaware, 19801 (See Ex. 1, Attachment 1).

3. On or about July 27, 2021, the Department was notified by Travelers Casualty and Surety Company of America that it was canceling Respondent's MGA bond, effective September 24, 2021 (Ex. 1, Attachment 2).

4. On or about August 2, 2021, the Department sent a letter to Respondent at the mailing address on file requesting updated bond information (Ex. 1, Attachment 3).

5. On or about September 30, 2021, the Department sent a second letter to Respondent at the mailing address on file requesting updated bond information, and also sent a copy of the letter to Respondent's e-mail address on file (Ex. 1, Attachment 4).

6. The Department has not received any response from the Respondent and Respondent's bond is now expired (Amended Petition; Ex. 1, Attachment 2).

7. On or about November 8, 2021, the Petition and Notice of Hearing was served upon Respondent's registered mailing and business addresses via certified mail, return receipt requested, and via regular U.S. mail. (See Ex. 2).

8. On or about November 9, 2021, an Amended Petition and Notice of Hearing was served upon Respondent's registered mailing and business addresses via certified mail, return receipt requested, and via regular U.S. mail. (See Ex. 2).

9. On or about November 29, 2021, the Petition and Notice of Hearing and Amended Petition and Notice of Hearing sent to Respondent's registered business address via certified mail, return receipt requested, and U.S. mail were returned to the Department as, *inter alia*, not deliverable, unable to forward, and vacant (See Ex. 2 and attachments thereto).

10. As of March 1, 2022, the Respondent has not responded to the Department's inquiries nor has the Department received any form of updated bond information from Respondent (See Ex. 1).

### CONCLUSIONS OF LAW

1. The Department has broad jurisdiction, control, and discretion over the licensing of MGAs in the State of Nebraska pursuant to Neb. Rev. Stat. §§ 44-101.01 and 44-4901 et seq.

2. The Department has personal jurisdiction over Respondent.

3. Pursuant to Neb. Rev. Stat. § 44-4908(1), the Director may suspend or revoke an MGA's license if it is found that the producer has not materially complied with the Managing General Agents Act or any rule or regulation adopted or promulgated thereunder.

4. Pursuant to Neb. Rev. Stat. § 44-4909, the Director shall adopt and promulgate reasonable rules and regulations for the implementation and administration of the Managing General Agents Act.

5. Pursuant to Title 210 of the Nebraska Administrative Code (NAC), chapter 59, § 004, MGAs are required to have a bond "written by an insurer that is different from and otherwise not affiliated with the insurer contracting with the managing general agent," and to have that bond "on file for review by any applicable state insurance director, superintendent, or commissioner."

6. Respondent violated Neb. Rev. Stat. § 44-4908(1) and 210 NAC ch. 59, § 004, as a result of the conduct found in paragraphs 3-6 and 10 in the Findings of Fact and as evidenced by the relevant exhibits received.

## DISCUSSION

At the hearing, the Department presented sufficient evidence of proper service of notice of these proceedings upon Respondent. The Department served Respondent via certified mail, return receipt requested and regular U.S. mail to both Respondent's registered business and mailing addresses. While the copies of the original and amended petition and notice of hearing sent via certified mail and regular U.S. mail to Respondent's business address were returned "undeliverable, unable to forward," the copies of the same sent to Respondent's mailing address were not returned to the Department as undeliverable. The usual presumption is that a correctly addressed letter sent via regular U.S. mail is received by the addressee. *City of Lincoln v. MJM, Inc.*, 9 Neb. App. 715, 618 N.W.2d 710 (2000). Based upon the evidence of record, the Department's service of the petition and notice of hearing upon Respondent at its mailing address was sufficient and jurisdiction over the actions of the Respondent in this matter has been established.

The uncontested evidence shows that Respondent's bond was cancelled effective September 24, 2021, and that no updated information about a new or replacement bond, or any other communication, was received from Respondent, despite multiple attempts and modalities of communication used by the Department. The uncontested evidence shows that Respondent currently has no bond written by an insurer that is different from and otherwise not affiliated with the insurer contracting with the managing general agent.


These actions constitute a violation of Neb. Rev. Stat. § 44-4908(1) and 210 NAC ch. 59, § 004.

RECOMMENDED ORDER

Based on the Findings of Fact and Conclusions of Law, it is recommended that Respondent's non-resident Managing General Agent 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 orders as may be necessary.

Dated this 1<sup>st</sup> day of March, 2022.

STATE OF NEBRASKA  
DEPARTMENT OF INSURANCE



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Seth J. Felton  
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. Snapnsure Insurance Services, LLC (NAIC Producer #18410231), Cause No. A-2280.

Dated this 2<sup>nd</sup> day of March, 2022.

STATE OF NEBRASKA  
DEPARTMENT OF INSURANCE



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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, 26895 Aliso Creek Road, Suite B-439, Aliso Viejo, California, 92656, via certified mail, return receipt requested and via regular U.S. mail on this 2<sup>nd</sup> day of March, 2022.

Shelly Storie