

JUL 27 2018

BEFORE THE DEPARTMENT OF INSURANCE STATE OF NEBRASKA

FILED

STATE OF NEBRASKA)	
DEPARTMENT OF INSURANCE,)	
)	CONSENT ORDER
PETITIONER,)	
)	
VS.)	CAUSE NO. C-2394
)	
UNITED STATES FIRE INSURANCE)	
COMPANY (NAIC #21113),)	
)	
RESPONDENT.)	

In order to resolve this matter, the Nebraska Department of Insurance ("Department"), by and through its attorney, Krystle Ledvina Garcia, and United States Fire Insurance Company ("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, 44-135, 44-303, and 44-4047, *et seq.* (Reissue 2010).
2. Respondent is a Delaware domiciled insurance company licensed with the Department as an insurer with the ability to sell sickness and accident insurance.

STIPULATIONS OF FACT

1. The Department initiated this administrative proceeding by filing a petition styled State of Nebraska Department of Insurance vs. United States Fire Insurance Company (NAIC #21113), Cause Number C-2394 on May 10, 2018. A copy of the petition was served upon the Respondent at Respondent's agent for service of process, James Kraus, 305 Madison Avenue, Morristown, NJ 07962.

RECEIVED

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2. Respondent is alleged to have violated Neb. Rev. Stat. §§ 44-1524, 44-1525(12), 44-4050 and 44-4061 (Reissue 2010) as follows:

- a. On or about January 29, 2018, a consumer complaint was filed with the Department against Respondent related to a policy sold by Kareem McLean, who at the time was a licensed non-resident insurance producer but was not appointed by Respondent in Nebraska.
- b. On or about April 5, 2018, Respondent answered an inquiry from the Department stating that Mr. McLean was not appointed in Nebraska as an agent for Respondent as required by the Insurance Producers Licensing Act and that an additional policy was sold, negotiated, or solicited by Mr. McLean prior to his appointment with Respondent.
- c. An additional twenty-four policies were sold by an additional ten insurance producers not properly appointed by Respondent. Four of those ten producers were not licensed in Nebraska or appointed by Respondent at the time of the sale as required by the Insurance Producers Licensing Act.

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

4. Respondent neither admits nor denies the allegations stated in Paragraph 2.

CONCLUSIONS OF LAW

Respondent's conduct as alleged above constitutes violations of Neb. Rev. Stat. §§ 44-1524, 44-1525(12), 44-4050, and 44-4061 (Reissue 2010).

CONSENT ORDER

It is therefore ordered by the Director of Insurance and agreed by Respondent, United States Fire Insurance Company, that:

1. Respondent shall pay an administrative fine in the amount of seven thousand five hundred dollars (\$7,500.00) due within 60 days after the Director of Insurance or his designee approves and signs this consent order. If Respondent fails to pay the amount required under this consent order within the time specified, additional administrative action shall be taken by the Petitioner, which shall include revocation of Respondent's Nebraska certificate of authority.

In witness of their intention to be bound by this Consent Order, each party has executed this document by subscribing his/her signature below.



Krystle Ledvina Garcia, #23947
Attorney for Petitioner
1135 M Street, Suite 300
Lincoln, NE 68508
(402) 471-2201

7-27-18

Date

State of New Jersey)
County of Monmouth)



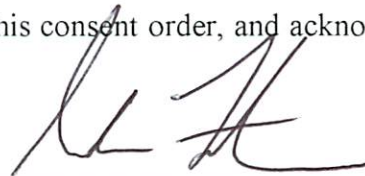
United States Fire Insurance Company
Respondent

7-24-18

Date



On this 24 day of July, 2018, Caren Alvarado personally appeared before me and read this Consent Order, stated that he/she had the authority to sign on behalf of United States Fire Insurance Company, executed this consent order, and acknowledged the same to be his/her voluntary act and deed.



Notary Public

AMANDA M. FITZPATRICK
NOTARY PUBLIC OF NEW JERSEY
I.D. # 50017335
My Commission Expires 6/11/2020



AMANDA M. FITZPATRICK
NOTARY PUBLIC OF NEW JERSEY
ID # 80017338
02 81112020

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 v. United States Fire Insurance Company (NAIC #21113), Cause No. C-2394.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE

Bruce R. Range
Bruce Range
Director of Insurance

7-27-2018
Date

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Consent Order was served upon Respondent by mailing a copy to Respondent's agent for service process, James Kraus, at 305 Madison Avenue, Morristown, NJ 07962 and Caren Alvarado, 5 Christopher Way, 2nd Floor, Eatontown, NJ 07724 via certified mail, return receipt requested, on this 27 day of July, 2018.

Brandis J. Bauer