

NORTH CAROLINA DEPARTMENT OF INSURANCE  
RALEIGH, NORTH CAROLINA

Docket Number: D-1629

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

BEFORE THE COMMISSIONER  
OF INSURANCE

IN THE MATTER OF  
THE LICENSURE  
OF SEAN DADE

ORDER AND FINAL AGENCY  
DECISION

THIS CAUSE came on to be heard before the undersigned Hearing Officer, as designated by the Commissioner of Insurance pursuant to N.C. Gen. Stat. §§ 58-2-55, 58-33-26, 58-33-30, 58-33-32, 58-33-46, 58-33-125, 150B-38, and other applicable statutes and rules, on August 1, 2012, pursuant to a notice of administrative hearing that was duly issued and served.

The North Carolina Department of Insurance (hereinafter "NCDOI") was present through a representative of NCDOI's Agent Services Division (hereinafter "Agent Services"), and was represented by Brandon L. Truman, Assistant Attorney General.

Respondent Sean Dade (hereinafter "Dade") was not present, after being duly served with the Notice of Administrative Hearing.

Agent Services offered into evidence Exhibits 1 through 3 and 5 through 9. The foregoing Exhibits were admitted into evidence.

After careful consideration and based on the testimony presented by a representative of Agent Services, the Exhibits introduced, and the record as a whole, the undersigned Hearing Officer hereby enters the following:

### FINDINGS OF FACT

1. NCDOI has the authority and responsibility for the enforcement of insurance laws of this State, and for licensing and regulating insurance agents in this State.

2. On or about June 22, 2011, Dade applied to NCDOI for a nonresident insurance producer license to transact life insurance, and he applied for a nonresident insurance producer license to transact accident and health or sickness insurance.

3. As part of the license application process, Dade was required to pay a license fee for each of the foregoing lines of insurance.

4. National Insurance Producer Registry (hereinafter "NIPR") is duly authorized to collect license fees on behalf of NCDOI.

5. To be granted each insurance producer license, Dade was required to pay a license fee of \$50.00 to NIPR for his producer license for life insurance, and he was required to pay a license fee of \$50.00 to NIPR for his producer license for accident and health or sickness insurance. He was additionally required to pay \$6.18 to NIPR for related transaction fees for his licenses. The total amount that Dade was required to pay to NIPR for the fees for his licenses was \$106.18.

6. On or about June 22, 2011, Dade made an attempted electronic payment to NIPR in the amount of \$106.18 for his producer licenses.

7. On or about June 22, 2011, NCDOI granted Dade a nonresident insurance producer license to transact life insurance and a nonresident insurance producer license to transact accident and health or sickness insurance. His license number is NPN 10979263.

8. On or about June 23, 2011, Dade's financial institution declined the electronic

payment of \$106.18 that Dade attempted to make to NIPR. As a result of the electronic payment being declined, Dade continued to hold the foregoing insurance producer licenses without having paid the fees for his licenses.

9. In letters dated October 12 and 21, 2011, Agent Services notified Dade that he failed to pay the foregoing \$106.18 to NIPR for his producer licenses. Agent Services' letters requested Dade to pay the fees for his licenses to NIPR immediately. Dade continued to fail to pay the fees for his licenses.

10. In a letter dated November 4, 2011, Agent Services again notified Dade that he failed to pay the fees for his licenses and that his continued failure to pay the fees for his licenses was in possible violation of North Carolina insurance laws.

11. Agent Services' November 4, 2011 letter requested Dade to attend an informal conference on December 8, 2011 to discuss his failure to pay the fees for his licenses. Dade failed to attend the informal conference on December 8, 2011, and he continued to fail to pay the fees for his licenses.

12. In a letter sent to and received by Dade via certified mail dated January 11, 2012, Agent Services again notified Dade that he failed to pay the fees for his licenses and that his continued failure to pay the fees for his licenses was in possible violation of North Carolina insurance laws.

13. Agent Services' January 11, 2012 letter requested Dade to attend an informal conference on January 31, 2012 to discuss his failure to pay the fees for his licenses. Dade failed to attend the informal conference on January 31, 2012, and he continued to fail to pay the fees for his licenses.

14. As of the date of the administrative hearing, Dade has not paid the fees for his licenses.

15. There is substantial evidence that supports the foregoing findings. Additionally, due to Respondent's failure to appear at the administrative hearing, the undersigned Hearing Officer finds, pursuant to 11 N.C.A.C. 1.0423(a)(1), that the allegations set out in the Notice of Administrative Hearing are taken as true and are deemed to be proved without the need of further evidence. The allegations set out in the Notice of Administrative Hearing are incorporated by reference as if set forth herein.

BASED UPON the foregoing Findings of Fact, the undersigned Hearing Officer makes the following:

**CONCLUSIONS OF LAW**

1. This matter is properly before the Commissioner of Insurance, and he has jurisdiction over the parties and the subject matter pursuant to Chapter 58 of the North Carolina General Statutes.

2. Notice of the administrative hearing in this matter was timely and proper.

3. Dade's failure to pay the fees for his licenses constitutes grounds for the Commissioner to revoke his producer licenses under N.C. Gen. Stat. § 58-33-46(a)(2), which provides:

(a) The Commissioner may place on probation, suspend, revoke, or refuse to renew any license issued under this Article, in accordance with the provisions of Article 3A of Chapter 150B of the General Statutes, for any one or more of the following causes:

(2) Violating any insurance law of this or any other state, violating any administrative rule, subpoena, or order of the Commissioner . . . .

4. Dade's failure to pay the fees for his licenses constitutes grounds for the Commissioner to revoke his producer licenses under N.C. Gen. Stat. § 58-33-46(a)(2) and N.C. Gen. Stat. § 58-33-125(c), which provides:

(c) Any person who is not licensed and who is required by law or administrative rule to secure a license shall, upon application for licensing, pay to the Commissioner a fee of fifty dollars (\$50.00).

5. Dade's failure to pay the fees for his licenses constitutes grounds for the Commissioner to revoke his producer licenses under N.C. Gen. Stat. § 58-33-46(a)(2) and N.C. Gen. Stat. § 58-33-32(c), which provides:

(c) . . . a nonresident person shall receive a nonresident producer license if:

(2) The person has submitted the request for licensure in the form prescribed by the Commissioner and has paid the applicable fees required by G.S. 58-33-125 . . . .

6. Dade's failure to pay the fees for his licenses constitutes grounds for the Commissioner to revoke his producer licenses under N.C. Gen. Stat. §§ 58-33-46(a)(8) and 58-33-46(a)(17), which provide:

(a) The Commissioner may place on probation, suspend, revoke, or refuse to renew any license issued under this Article, in accordance with the provisions of Article 3A of Chapter 150B of the General Statutes, for any one or more of the following causes:

(8) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this State or elsewhere.

(17) Any cause for which issuance of the license could have been refused had it then existed and been known to the Commissioner at the time of issuance.

7. Dade violated N.C. Gen. Stat. § 58-33-46(a)(8) by demonstrating incompetence and financial irresponsibility by failing to pay the fees for his licenses.

8. Under N.C. Gen. Stat. § 58-33-46(a)(17), Dade's producer licenses should be revoked, suspended or not renewed because at the time his nonresident producer licenses were issued, the Commissioner would have refused to issue his licenses if the Commissioner had known that Dade failed to pay the fees for his licenses.

9. The evidence presented at the hearing, in the form of testimony and the exhibits introduced, is sufficient to support a revocation of Respondent's licenses.

10. Pursuant to 11, NCAC 1.0423(a)(1), if a party fails to appear at a hearing or fails to comply with an interlocutory order of the hearing officer, the hearing officer may find that the allegations of or the issues set out in the notice of hearing or other pleading may be taken as true or deemed to be proved without further evidence.

11. Additionally, the allegations contained in the Notice of Hearing are taken as true pursuant to 11 NCAC 1.0423(a)(1), and provide additional grounds sufficient to support a revocation of Respondent's license.

12. Dade's nonresident producer licenses should be revoked due to his violations of the foregoing statutes.

### ORDER

BASED UPON the foregoing Findings of Fact and Conclusions of Law, it is ORDERED that Dade's nonresident insurance producer license to transact life insurance and his nonresident

producer license to transact accident and health or sickness insurance are revoked.

This 24<sup>th</sup> day of September, 2012.



Stewart Johnson, Hearing Officer  
North Carolina Department of Insurance  
1201 Mail Service Center  
Raleigh, North Carolina 27699-1201

Appeal Rights:

This Order and Final Agency Decision may be appealed to Superior Court within 30 days of receipt of this Order, as set out in Chapter 150B of the North Carolina General Statutes.