

Based upon careful consideration of the evidence, including the sworn testimony of the witness presented at the hearing, and the entire record in this proceeding, the undersigned Hearing Officer makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. The Notice of Administrative Hearing was properly served on Petitioner pursuant to N.C. Gen. Stat. §58-2-69(d).

2. Respondent is a resident of Chicago, Illinois, and is a licensed resident insurance producer in Illinois.

3. Respondent holds a non-resident Producer's license issued on or about January 29, 2015 with lines of authority for Accident & Health or Sickness and Life.

4. On or about August 12, 2016, Respondent received regulatory action in the form of revocation against his Virginia insurance licenses for violations of Virginia's insurance laws by misrepresenting the benefits of an insurance policy, by making false or fraudulent statements or representations in an insurance application for the purpose of obtaining a fee, commission, money, or other benefit from an insurer, and by failing to make records available promptly upon request for examination by the Virginia State Corporation Commissioner.

5. Respondent did not report the Virginia regulatory action to the Department within thirty (30) days or at any time thereafter.

6. On or about August 29, 2017, Respondent received regulatory action in the form of a monetary penalty against his Delaware insurance licenses for failure to report another state's regulatory action.

7. Respondent did not report the Delaware regulatory action to the Department within thirty (30) days or at any time thereafter.

8. Agent Services Division became aware of the regulatory actions against Respondent when it received a "PIC alert", also called a "RIRS report", through the National Association of Insurance Commissioners (NAIC) which showed that Respondent had regulatory actions in Virginia and Delaware. (Exhibit 4 hereto) Agent Services Division checked to see if Respondent had timely reported these administrative actions to the Department, and he had not. This matter was assigned to complaint analyst Jeffrey Miller, who proceeded to contact Respondent in order to request a response from Respondent.

9. Agent Services Division made several attempts to contact Respondent concerning the unreported Virginia and Delaware regulatory actions by mail, email, and phone, including to multiple email addresses and two phone numbers, between October 2017 and June 2018. These attempts included several requests for information from the Respondent. Respondent did not send the information requested by Agent Services Division.

10. Agent Services Division only received one contact from the Respondent, which was an email from the Respondent sent in January 2018, but it did not contain any of the information previously requested. In the email from the Respondent in January 2018 to Jeffrey Miller of the Agent Services Division, Respondent indicated that he had been in Asia for several months and offered to send proof of this fact. Respondent also asked Mr. Miller what information the Department needed. Mr. Miller responded by email to the Respondent with the information required, but Respondent never contacted the Department again or sent any of the requested information.

11. Agent Services Division also attempted to hold an informal conference with Respondent by phone four times between January and June 2018. Each time, Respondent received ample notice of the informal conference. Agent Services Division was unable to reach Respondent for an informal conference on any of these four occasions.

12. Mr. Miller testified that Agent Services Division is seeking revocation of Respondent's licenses for failure to timely report the Virginia and Delaware administrative actions pursuant to N.C. Gen. Stat. § 58-33-32(k), and for violation of the insurance laws of Virginia and Delaware pursuant to N.C. Gen. Stat. § 58-33-46(a)(2).

CONCLUSIONS OF LAW

1. This matter is properly before the Commissioner and he has jurisdiction over the parties and the subject matter pursuant to N. C. Gen. Stat. §§ 58-2-55, 58-33-46, 150B-38 and 150B-40, as well as 11 N.C.A.C. 1.0401 et seq. and other applicable statutes and regulations.

2. Respondent was properly served with the Notice of Hearing in this matter.

3. Respondent failed to appear at the hearing and pursuant to 11 N.C.A.C. 1.0423(a)(1), as a sanction for Petitioner's failure to appear at the hearing, the allegations of the Notice of Hearing may be taken as true or deemed to be proved without further evidence.

4. Respondent's failures to report the Virginia and Delaware administrative actions within thirty (30) days as required by N.C. Gen. Stat. § 58-33-32(k) are violations of this State's insurance laws for which his license may be subject to administrative action, including revocation, pursuant to N.C. Gen. Stat. § 58-33-46(a)(2).

5. Respondent violated the insurance laws of Virginia and Delaware, which resulted in administrative action against his insurance licenses in those states. Respondent's violations of Virginia and Delaware's insurance laws are also a basis for administrative action, including revocation, against his North Carolina insurance licenses pursuant to N.C. Gen. Stat. § 58-33-46(a)(2).

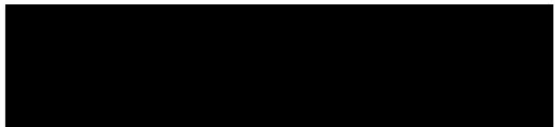
ORDER

Based upon the foregoing Findings of Fact and Conclusions of Law, it is hereby ORDERED that the Respondent's licenses issued by the Department be REVOKED.

APPEAL RIGHTS

Under the provisions of N.C. Gen. Stat. § 150B-45, any party wishing to appeal a final decision of the North Carolina Department of Insurance must file a Petition for Judicial Review in the Superior Court of the County where the person aggrieved by the administrative decision resides, or in the case of a person residing outside the State, the county where the contested case which resulted in the final decision was filed. The appealing party must file the petition within 30 days after being served with a written copy of the Order and Final Agency Decision. In conformity with the 11 NCAC 1.0413 and N.C.G.S. § 1A-1, Rule 5, this Order and Final Agency Decision was served on the parties on the date it was placed in the mail as indicated by the date on the Certificate of Service attached to this Order and Final Agency Decision. N.C. Gen. Stat. § 150B-46 describes the contents of the Petition and requires service of the Petition on all parties. The mailing address to be used for service on the Department of Insurance is: **A. John Hoomani, General Counsel, 1201 Mail Service Center, Raleigh, NC 27699-1201.**

This the 27th day of November, 2018.



Sherri Hubbard
Hearing Officer
N.C. Department of Insurance

CERTIFICATE OF SERVICE


I HEREBY CERTIFY that I have this day served the foregoing ORDER AND FINAL AGENCY DECISION by mailing a copy of the same via certified U.S. mail, return receipt requested; via first class U.S. mail to the licensee at the address provided to the Commissioner pursuant to N.C. Gen. Stat. § 58-2-69(b); and via State Courier to Attorney for Petitioner, addressed as follows:

Anthony Mikalauskas
2419 N Mango Ave.
Chicago, IL 60639-2312
(Respondent)

Certified Mail Tracking Number: 70170530000073199842

Rebecca E. Lem
Assistant Attorney General
N.C. Department of Justice
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(Attorney for Petitioner)

This the 27th day of November, 2018.


Mary Faulkner
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