

NORTH CAROLINA DEPARTMENT OF INSURANCE  
RALEIGH, NORTH CAROLINA

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

BEFORE THE  
COMMISSIONER OF INSURANCE

IN THE MATTER OF: )

THE LICENSURE OF )  
NITESH S. PATEL )  
(NPN #593740) )

ORDER  
AND FINAL  
AGENCY DECISION

Docket Number: 2086

Respondent. )  
)

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**THIS MATTER** came on for hearing on September 1, 2022, in Hearing Room #131 of the Albemarle Building, 325 North Salisbury Street, Raleigh, North Carolina, before the undersigned Hearing Officer, as designated by the North Carolina Commissioner of Insurance (“Commissioner”) under N.C. Gen. Stat. § 58-2-55.

Petitioner, the Agent Services Division of the North Carolina Department of Insurance (“Petitioner” or “Agent Services”), was represented by Assistant Attorney General Nathan Childs. Respondent Nitesh S. Patel did not appear and was not represented by counsel at the hearing.

Agent Services moved, pursuant to 11 N.C.A.C. 1.0423(A), for the imposition of sanctions due to Respondent’s failure to appear at the hearing. Petitioner’s motion for sanctions is DENIED. The undersigned Hearing Officer proceeded to accept and consider testimony and evidence offered by Agent Services in support of its Petition at the hearing.

Petitioner’s Exhibits 1 through 12, including all subparts, were admitted into evidence.

Joe Wall, Agent Services Assistant Deputy Commissioner, appeared and testified on behalf of Agent Services.

BASED UPON the careful consideration of the evidence and arguments presented at the hearing by Agent Services, and based upon the entire record in the proceeding, the Hearing Officer hereby makes the following Findings of Fact and Conclusions of Law:

## FINDINGS OF FACT

1. The North Carolina Department of Insurance (“NCDOI”) is a state agency responsible, in accordance with Chapter 58 of the North Carolina General Statutes, for enforcement of the insurance laws of North Carolina and for regulating and licensing insurance producers.

2. Nitesh S. Patel (“Respondent”) currently holds an active non-resident North Carolina insurance producer license with lines of authority in Life and Accident & Health or Sickness (“License”). Respondent’s License was first issued on September 30, 2015. *See* Pet’r’s Ex. 3.

3. Service of the Notice of Administrative Hearing providing Respondent with due notice of the September 1, 2022, hearing was perfected by United States Certified Mail on August 15, 2022, as shown by the Affidavit of Service and the signed and dated United States Postal Service domestic return receipt admitted into evidence at the hearing. *See* Pet’r’s Ex. 2.

4. Joe Wall is an Assistant Deputy Commissioner of Agent Services. Among his other duties, he supervises Agent Services’ Complaint Analysts.

5. In or around early March 2021, Agent Services became aware, via a report from the Regulatory Information Retrieval System (“RIRS”), which is an automatic notification system through the National Association of Insurance Commissioners (“NAIC”), that Respondent had received an adverse administrative action in Illinois effective February 10, 2021. *See* Pet’r’s Ex. 4.

6. The RIRS report revealed that, effective February 10, 2021, the Illinois Department of Insurance had denied Respondent’s application for licensure based on a demonstrated lack of fitness or trustworthiness, for failure to make required disclosures on his application for licensure, for failure to report an administrative action from another state, and due to his criminal history. *See* Pet’r’s Ex. 4.

7. While the matter was originally assigned to a Complaint Analyst for Agent Services, Ms. Bethany Davenport, Ms. Davenport has since left her position with Petitioner. After Ms. Davenport’s departure, Mr. Wall took over the instant matter for Agent Services.

8. On March 2, 2021, Ms. Davenport emailed Respondent at his electronic addresses of record requesting that he produce documentation and a written statement regarding the Illinois administrative action within ten days. *See* Pet’r’s Ex. 8-B.

9. Respondent replied that same day and again on the following day, March 3, 2021, but his responses did not include a copy of the requested



documentation nor a written statement addressing the Indiana administrative action. *See* Pet'r's Exs. 8A-8B.

10. On March 17, 2021, Ms. Davenport again emailed Respondent at his electronic address of record noting that Respondent had failed to provide the documents and written statement requested in the March 3, 2021, email and providing notice to Respondent that, unless the documents and statement were received within 10 days from the date of receipt of the email, Agent Services would consider Respondent to be in violation of N.C. Gen. Stat. §§ 58-2-185 and 58-2-195. Respondent did not provide the documentation and written statement as requested. *See* Pet'r's Exs. 8C-8J.

11. Respondent did not report the February 10, 2021, Illinois administrative action to the Commissioner within thirty days after the final disposition of the matter as required by N.C. Gen. Stat. § 58-33-32(k).

12. Shortly thereafter, two additional states took administrative actions against Respondent:

a. Effective April 28, 2021, the Indiana Department of Insurance took administrative action against Respondent, denying his application for licensure due to Respondent's failure to disclose the following on his licensure application: (1) his prior felony convictions for aggravated assault, for possession of blank stolen forged documents, and for being a felon in possession of a firearm; (2) his prior misdemeanor convictions for petit theft and possession of marijuana; and (3) a previous adverse administrative action taken against him in California. *See* Pet'r's Ex. 10.

b. Effective July 6, 2021, the Wisconsin Office of the Commissioner of Insurance took administrative action against Respondent denying Respondent's application for licensure due to Respondent's failure to disclose his prior felony convictions on Respondent's Wisconsin licensure application, failure to disclose his prior misdemeanor convictions on Respondent's Wisconsin licensure application, and failure to disclose adverse administrative actions taken against him by California and Illinois on Respondent's Wisconsin licensure application, all in violation of Wisconsin law. *See* Pet'r's Ex. 11.

13. Respondent failed to report either the April 28, 2021, Indiana administrative action or the July 6, 2021, Wisconsin administrative action to the Commissioner within thirty days of its final disposition as required by N.C. Gen. Stat.

§ 58-33-32(k). *See* Pet'r's Ex. 5.

14. Instead, when contacted by ASD about the Indiana and Wisconsin administrative actions, Respondent failed to provide copies of the out-of-state administrative actions or any written statements regarding the administrative actions. However, at multiple times on multiple dates, Respondent did send Agent Services bizarre and vaguely threatening emails, several of which included accusations that Agent Services had committed various violations of federal laws. *See* Pet'r's Exs. 8B, 8E-8F, 8H-8I. For example, on August 28, 2021, in response to an August 17, 2021, email providing notice of an informal conference, Respondent replied, "I am formally addressing you of 18 .1961 the documents will be filed and lead to your arrest on seditious treason 18. 2381 thanks for nothing." *Id.* at 8H.

15. Respondent later received an additional administrative action from the Louisiana Department of Insurance revoking his Louisiana insurance producer license, effective November 24, 2021. The Louisiana order cites Respondent's failure to report the administrative action taken against his insurance license by the Indiana Department of Insurance within thirty days, as required by Louisiana law, and Respondent's failure to respond to the Louisiana Department of Insurance's My 27, 2021, June 11, 2021, July 7, 2021, and July 15, 2021, requests for documentation and information related to the Indiana administrative action, in violation of Louisiana law. *See* Pet'r's Ex. 12.

16. Respondent has not reported the November 24, 2021, Louisiana administrative action to the Commissioner within thirty days as required by N.C. Gen. Stat. § 58-33-32(k). *See* Pet'r's Ex. 5.

### CONCLUSIONS OF LAW

1. This matter is properly before the Commissioner, and the Commissioner has jurisdiction over the parties and the subject matter.

2. Respondent was properly served with the Notice of Administrative Hearing in this matter but failed to attend the September 1, 2022, hearing or retain counsel to represent him at the hearing.

3. Pursuant to N.C. Gen. Stat. § 58-33-46(a)(2), one basis for the revocation of a license issued by the Department of Insurance is violation of the insurance laws of North Carolina.

4. N.C. Gen. Stat. § 58-33-32(k) is a North Carolina insurance law that requires an insurance producer to report to the Commissioner "any administrative action" taken against the producer by another state "within 30 days after the final



disposition of the matter.” Section 58-33-32(k) further specifies that this report “shall include a copy of the order or consent order and other information or documents filed in the proceeding necessary to describe the action.”

5. Agent Services’ evidence shows that Respondent failed to report the Illinois, Indiana, Wisconsin, and Louisiana administrative actions to the Commissioner within thirty days of the actions’ respective final dispositions, as mandated by N.C. Gen. Stat. § 58-33-32(k).

6. By failing to timely report the Illinois, Indiana, Wisconsin, and Louisiana administrative actions within thirty days of their final dispositions, Respondent repeatedly violated a North Carolina insurance law within the meaning of N.C. Gen. Stat. § 58-33-46(a)(2).

7. Agent Services’ evidence also shows that Respondent failed to respond to two written requests from Agent Services for documents and other information related to its licensure investigation, despite Respondent’s obligations to provide information to Agent Services “on demand” under N.C. Gen. Stat. §§ 58-2-185 and 58-2-195.

8. Based on the evidence received and the applicable law, the undersigned Hearing Officer concludes that Respondent’s License should be revoked under N.C. Gen. Stat. § 58-33-46(a)(2).

BASED UPON the foregoing Findings of Fact and Conclusions of Law, the Hearing Officer enters the following:

**ORDER**

It is ORDERED that Respondent’s non-resident North Carolina Insurance Producer’s license is hereby REVOKED.

This 5<sup>th</sup> day of October, 2022.



Erin E. Gibbs, Hearing Officer  
N.C. Department of Insurance

### NOTICE OF APPEAL RIGHTS

This is a Final Agency Decision issued under the authority of N.C. Gen. Stat. § 150B, Article 3A.

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 11 NCAC 01 .0413 and N.C. Gen. Stat. § 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.

**AMENDED CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that I have this day served the foregoing **ORDER AND FINAL AGENCY DECISION** by mailing copies of the same via certified U.S. Mail, return receipt requested and via first class U.S. Mail to the Respondent 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:

**Nitesh S. Patel**  
**702 Catalpa Pl**  
**Brandon, FL 33510-2970**  
*(Respondent)*

**Certified Mail Tracking Number: 70200640000031858460**

Nathan D. Childs  
Assistant Attorney General  
N.C. Department of Justice  
9001 Mail Service Center  
Raleigh, NC 27699-9001  
*(Attorney for Petitioner)*

This 28<sup>th</sup> day of October, 2022.



Mary Faulkner  
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