

2. The Notice of Administrative Hearing was properly served on Petitioner pursuant to N.C. Gen. Stat. § 58-2-69(b) and Rule 4 of the North Carolina Rules of Civil Procedure.

3. Respondent is a resident of Ohio and holds a Non-Resident Producer License with lines of authority in Life, Accident & Health or Sickness and Medicare Supplement/Long Term Care. *See* Pet'r's Ex. 3. Respondent was first licensed in North Carolina on or about November 9, 2015. *See id.* Respondent's National Producer License Number (NPN) is #4800224. *See id.*

4. Joe Wall is an Assistant Deputy Commissioner with ASD. Mr. Wall testified that this matter had initially been assigned to a Complaint Analyst for ASD, Ms. Bethany Davenport, who is no longer with NCDOI. Mr. Wall served as Ms. Davenport's supervisor and participated in the informal conference process in this matter along with Ms. Davenport. After Ms. Davenport's departure, Mr. Wall took over the instant matter for ASD.

5. This matter initially came to the attention of ASD attention via a March 2021 report from the Regulatory Information Retrieval System ("RIRS"), which is an automatic notification system through the National Association of Insurance Commissioners ("NAIC"). The RIRS report showed that Respondent had received an adverse regulatory action against his insurance license in Virginia on March 24, 2021, for failure to report another state's administrative action. *See* Pet'r's Ex. 5. The RIRS report also revealed previous administrative actions against Respondent's insurance license in Illinois, effective date March 2, 2020, and in Ohio, effective date June 7, 2016, and June 29, 2016. *See id.*

6. Pursuant to N.C. Gen. Stat. § 58-33-32(k), Respondent is obligated to inform NCDOI about administrative actions in other states within thirty (30) days of the final disposition of the matter.

7. A licensee can notify ASD of an administrative action by uploading a copy of the administrative action to the National Insurance Producer Registry ("NIPR") Attachment Warehouse or by sending a copy of the administrative action to ASD via email or regular mail.

8. ASD had previously issued a written warning to Respondent on June 12, 2020, for failure to report the March 2, 2020, Illinois administrative action. *See* Pet'r's Ex 6. The written warning included a reminder of the reporting requirement of N.C. Gen. Stat. § 58-33-32(k). *See id.*

9. On March 31, 2021, Ms. Davenport emailed Respondent at four different email addresses, including both email addresses Respondent had registered with

NCDOI. The March 31, 2021, email requested a response from Respondent and a copy of the March 31, 2021, Virginia administrative action. *See* Pet'r's Ex. 9A. The email also advised Respondent that he was still within the thirty- (30-) day period for timely reporting of the Virginia administrative action. *See id.* Respondent did not respond to Ms. Davenport's March 31, 2021, email, nor did he report the Virginia administrative action to NCDOI.

10. On April 28, 2021, Ms. Davenport again attempted to contact Respondent via email requesting a response regarding the Virginia administrative action. *See* Exhibit 8D. Respondent did not respond to Ms. Davenport's April 28, 2021, email.

11. On May 13, 2021, Ms. Davenport emailed Respondent an informal conference notice for June 30, 2021, at 10:00 AM. *See* Pet'r's Exhibit 8E. On June 30, 2021, ASD called Respondent at his phone number of record, once at 10:00 AM and again at 10:15 AM. Respondent did not answer either time. *See id.* ASD also left voicemails requesting that Respondent call ASD, which he never did. *See id.*

12. On July 1, 2021, Ms. Davenport sent a second informal conference notice to Respondent for August 11, 2021, at 12:00 PM. *See* Pet'r's Ex. 8F. ASD attempted to call Respondent twice on August 11, 2021, once at 12:00 PM and again at 12:14 PM. *See* Pet'r's Ex. 9B. Respondent did not answer, nor did he respond to voicemails from ASD requesting that Respondent call. *See* Pet'r's Ex. 9B.

13. Petitioner retrieved a copy of the Virginia administrative action against Respondent's license in the regular course of business. *See* Pet'r's Ex. 11. The Virginia administrative action shows that, on or about March 24, 2021, Respondent's Virginia insurance license was revoked for his failure to timely report another state's administrative action and for failure to timely request a hearing. *See id.*

14. To date, Respondent has made no attempt to communicate with ASD on this matter despite numerous voicemail and email requests by ASD.

15. Respondent has also never reported the Virginia administrative action to NCDOI as required by N.C. Gen. Stat. § 58-33-32(k).

16. Petitioner requested that Respondent's licenses be revoked pursuant to N.C. Gen. Stat. §§ 58-33-32(k) and 58-33-46(a)(2), noting that Respondent has previously received a written warning from ASD for failure to timely report an administrative action, that Respondent has failed to respond to Petitioner's requests for information and documents regarding an out-of-state administrative action, and that Respondent failed to appear at both informal conferences, which were held via telephone. Respondent never reported the Virginia administrative action to NCDOI

as required by N.C. Gen. Stat. § 58-33-32(k).

CONCLUSIONS OF LAW

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

2. The Notice of Administrative Hearing was properly served on Petitioner pursuant to Rule 4 of the North Carolina Rules of Civil Procedure.

3. The evidence presented at the hearing supports the allegations of the Notice of Hearing and Petition.

4. Respondent's failure to report the Virginia administrative action revoking his insurance license to the Department within thirty (30) days of the effective date of that action is a violation of N.C. Gen. Stat. § 58-33-32(k).

5. N.C. Gen. Stat. § 58-33-46(a)(2) allows the Commissioner to suspend, revoke, or refuse to renew any license issued under this Article for violating any insurance law of this or any other state. Respondent's license is subject to suspension or revocation under N.C. Gen. Stat. § 58-33-46(a)(2) for his failure to report the Virginia administrative action to the Department in violation of N.C. Gen. Stat. § 58-33-32(k).

Based on the foregoing Findings of Fact and Conclusions of Law, the Hearing Officer enters the following:

ORDER

It is ordered that Respondent's licenses issued by the North Carolina Department of Insurance are hereby REVOKED effective as of the date of the signing of this order.

This the 27th day of September, 2022.



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

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 thirty (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. § 1 A-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, including explicitly stating what exceptions are taken to the decision or procedure and what relief the petitioner seeks, and requires service of the Petition by personal service or by certified mail upon all who were parties of record to the administrative proceedings. 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.

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:

MATTHEW STATEN
710 ZUMSTEIN LANE
WESTERVILLE, OH 43082-7592
(Respondent)

Certified Mail Tracking Number: 70200640000031857975

Rebecca E. Lem
Assistant Attorney General
N.C. Department of Justice
Insurance Section
9001 Mail Service Center
Raleigh, NC 27699-9001
(Attorney for Petitioner)

This the 27th day of September, 2022.

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Mary Faulkner
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