



2. The Notice of Administrative Hearing and Petition were properly served on Respondent by depositing via first class and by depositing with a designated delivery service, FedEx overnight priority mail on October 14, 2024 to Respondent's address of record at 122 Dresden Ave. Pontiac, MI 48340-2515 and was successfully delivered on October 16, 2024 as evident by FedEx tracking number 8688 9697 1118. *See* Pet'r Exs. 1 and 2.

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

4. Respondent is a resident of Michigan. *See* Pet'r Ex. 3.

5. On February 4, 2023, Respondent applied to the Kansas Department of Insurance ("Kansas") seeking a nonresident insurance producer license in that state. On the license application, Respondent affirmed yes to the question, "Have you ever been convicted of a felony, had a judgment withheld or deferred, or are you currently charged with committing a felony?" however, Respondent did not provide full documentation related to prior convictions/charges as Kansas requested. *See* Pet'r Ex. 11.

6. On August 25, 2023, Kansas issued a Decision on License Application ("Kansas Action") denying Respondent's licensure for providing incomplete information on the license application by failing to provide requested documentation regarding her criminal history and failure to respond to an inquiry from Kansas, pursuant to K.S.A. 40-4909. *See* Pet'r Ex. 11.

7. On August 29, 2023, Respondent applied to the Department for a nonresident insurance producer license in North Carolina. *See* Pet'r Ex. 6. On Question 3 of the North Carolina application, Respondent was asked, "Have you ever been named or involved as a party in an administrative proceeding, including FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration?" The body of the question went on to define 'involved,' as including having a license application denied or withdrawn to avoid denial. Respondent answered 'No' in response to this question.

8. On September 5, 2023, Respondent are granted a North Carolina nonresident insurance producer license ("License"), issued by the Department ("License") with NPN No. 20582874. Respondent's License currently remains active and holds lines of authority in Personal insurance. *See* Pet'r Ex. 4.

9. On or about January 24, 2024, Agent Services became aware of an administrative action taken against Respondent's Kansas insurance application when Jeffrey Miller, a Complaint Analyst, received a Personal Information Capture

Systems Alert (“PIC alert”), which is an automatic notification system through the National Association of Insurance Commissioners (“NAIC”). The Department receives PIC alerts when another state takes regulatory action against a licensee and enters the information into the NAIC database. *See* Pet’r Ex. 5.

10. Upon discovering Respondent’s Kansas action, Miller began an enforcement file and obtained a copy of the Decision on License Application from Kansas that became effective on August 25, 2023. *See* Pet’r Ex. 11. Miller determined that the Kansas Action was effective prior to Respondent submitting her application for a nonresident insurance producer license in North Carolina on August 29, 2023.

11. N.C. Gen. Stat. § 58-33-32(k) requires a producer to report to the Commissioner any administrative action taken against the producer in another state within thirty (30) days after the final disposition of the matter. The report “shall include a copy of the order or consent order and other information or documents filed in the proceeding necessary to describe the actions.”

12. A licensee may report an administrative action taken against their license to the Department by either uploading a copy of the administrative action to the National Insurance Producer Registry (“NIPR”) Attachment Warehouse or reporting the administrative action directly to the Department via fax, mail or email. In reviewing the enforcement file at that time, Miller determined that Respondent had yet to report the Kansas administrative action to the Department within 30 days of its final disposition, as required by N.C. Gen. Stat. § 58-33-32(k).

13. On January 30, 2024, Miller sent correspondence to Respondent’s email addresses of record advising that Respondent had an administrative action from Kansas with an effective date of August 25, 2023, and that the denial should have been on Respondent’s initial application to the Commissioner for a nonresident insurance producer license. This letter requested a response within 10 days of receipt. Respondent did not respond to this Department inquiry. *See* Pet’r Exs. 3, 4 and 7.

14. On February 12, 2024, Miller sent a second response request letter to Respondent’s email addresses of record and again requested that Respondent provide a written response and documentation of the Kansas Action within ten (10) days of receipt. Respondent did not respond to this Department inquiry. *See* Pet’r Exs. 3, 4 and 8.

15. On March 6, 2024, Miller sent correspondence scheduling an information conference to Respondent’s email address and by USPS first class mail to Respondent’s mailing address of record. *See* Pet’r Exs. 9 and 10. These letters informed Respondent that due to her failure to report Kansas action on her North Carolina application and at any point after receiving her North Carolina License, she

appeared to be in violation of N.C. Gen. Stat. §§ 58-33-46(a)(1), 58-33-46(a)(2) and 58-33-32(k). This correspondence further notified Respondent that a telephonic meeting had been scheduled for April 18, 2024, at 2:00 p.m., and Agent Services would call Respondent phone number of record with the Department to discuss the abovementioned allegations further. *See* Pet'r Exs. 4, 9 and 10.

16. On April 18, 2024, at 2:00p.m. the informal conference proceeded, and Agent Services made multiple attempts at reach Respondent at the telephone Respondent provided to the Department. Respondent did not answer and did not participate in the scheduled meeting with Agent Services.

17. On May 10, 2024, Meredith Palmer, a senior licensing coordinator for Respondent's employer, emailed Miller on behalf of Respondent regarding the informal conference. Ms. Palmer informed Miller that Respondent was on leave and had been unable to attend the April 18, 2024, conference. *See* Pet'r Ex. 13. Ms. Palmer informed Miller that the Kansas action would be uploaded to the NIPR attachment warehouse that same day and included an email address for Respondent that had not been previously provided to the Department. *Id.*

18. On May 10, 2024, Respondent's administrative action from Kansas was reported through the NIPR attachment warehouse. *See* Pet'r Ex. 14. This late reporting was 259 days after the effective date of the Kansas action, 248 days after the effective date of Respondent's North Carolina License, and 107 days after Kansas' action entry into the NAIC notification database. *See* Pet'r Exs. 4, 5 and 14.

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, 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 and the Petition for Administrative Hearing were properly served upon Respondent in this matter pursuant to N. C. Gen. Stat. § 150B-38(c). Despite proper service, Respondent failed to attend the November 6, 2024, hearing or request remote participation. *See* Pet'r Exs. 1 and 2.

3. N.C. Gen. Stat. § 58-33-32(k) requires an insurance producer to report to the Commissioner “any administrative action” taken against the producer in another state “within 30 days after the final disposition of the matter.”

4. Respondent received an administrative action in Kansas which became effective on August 25, 2023 and Respondent was required to report the Kansas Action within thirty days of the final disposition of the action as contemplated by N.C. Gen. Stat. § 58-33-32(k). However, the Kansas Department of Insurance did not enter their adverse action until January 24, 2024, creating a delay of at least five months, a sizable delay that the undersigned notes. While Petitioner contends that Respondent should have known of the Kansas application denial, no evidence via a Certificate of Service was included in the Kansas Action showing that Respondent received notification of the Kansas action against her which directly correlates to Respondent’s ability to sufficiently report to the Department required by N.C. Gen. Stat. § 58-33-32(k). *See* Pet’r Ex. 11.

5. Despite the entry delay, Kansas entered the adverse administrative action into the NAIC database, effectively notifying the Department on January 24, 2024 and Respondent reported her administrative action on May 10, 2024, far beyond 30 days from the action’s entry into Respondent’s RIRS report.

6. Accordingly, Respondent failed to timely report the Kansas administrative action taken against Respondent as required by N.C. Gen. Stat. § 58-33-32(k).

7. N.C. Gen. Stat. § 58-33-46(a)(2) authorizes the Commissioner to place on probation, suspend, revoke, or refuse to renew any license issued under this Article for a licensee “violating any insurance law of this or any other state...”

8. By failing to report the Kansas Administrative Action within thirty (30) days of its final disposition, Respondent violated N.C. Gen. Stat. § 58-33-32(k), which is a North Carolina insurance law within the meaning of N.C. Gen. Stat. § 58-33-46(a)(2).

9. The record supports a finding that Respondent engaged in conduct that justifies disciplinary action under N.C. Gen. Stat. § 58-33-46(a)(2).

10. Additionally, N.C. Gen. Stat. § 58-33-46(a)(1) authorizes disciplinary action if a licensee provides “...materially incorrect, misleading, incomplete, or materially untrue information in the license application.”

11. On August 25, 2023, Kansas issued a Decision on License Application which denied Respondent’s application for a nonresident insurance producer license. On August 29, 2023, Respondent submitted an application to the Commissioner for a nonresident insurance producer license. On her application, Respondent replied ‘no’

when asked whether she had been a party to an administrative action. The undersigned finds based on the greater weight of the evidence that the Respondent was unaware of the Kansas action when Respondent submitted her North Carolina application due to the close proximity in time between the application from the Department and the issuance of a decision letter by the state of Kansas.

12. N.C. Gen. Stat. § 58-2-70(c) provides that if the Commissioner finds a violation authorizing disciplinary action, “the Commissioner may, in addition to or instead of suspending or revoking the license or certification, order the payment of a monetary penalty...” Such monetary penalties shall not be less than \$100 nor more than \$1,000 per violation, with each day during which a violation occurs constituting a separate violation.

13. In lieu of suspension or revocation for Respondent’s violation of N.C. Gen. Stat. § 58-33-32(k) by failing to timely report the Kansas’s Decision on License Application, a monetary penalty of \$150.00 shall be issued pursuant to N.C. Gen. Stat. § 58-2-70(c).

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

### ORDER

It is hereby ORDERED that Respondent Sabrina Eaton pay a monetary penalty of one hundred fifty dollars (\$150.00), by certified check or money order made payable to the “North Carolina Department of Insurance”, for violation of N.C. Gen. Stat. § 58-33-32(k). This penalty is effective upon the signing of this order and payment shall be remitted to the Department no later than August 31, 2025. Payment of the monetary penalty shall be addressed to Agent Services Division (Attention: Jeff Miller, ASD), 1204 Mail Service Center, Raleigh, N.C. 27699-1204.

Failure to comply with the requirements of this Order and Final Agency Decision, including meeting the payment and deadlines set out herein, may be cause for future license denial by the Department.

This 26 day of June, 2025.

  
Alisha Benjamin  
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 30 days after being served with a written copy of the Order and Final Agency Decision. In conformity with 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: Amy Funderburk, 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; and via first class U.S. Mail to the Respondent at the addresses the licensee provided to the Commissioner pursuant to N.C. Gen. Stat. § 58-2-69(b), (d) and (e), and via State Courier to Attorney for Petitioner addressed as follows:

SABRINA EATON  
122 DRESDEN AVE.  
PONTAIC, MI 48340-2515  
*(Respondent)*

**Certified Mail Tracking Number: 9589 0710 5270 0742 5907 05**

Nicholas B. Sorensen  
Assistant Attorney General  
N.C. Department of Justice  
Insurance Section  
9001 Mail Service Center  
Raleigh, NC 27699-9001  
*(Attorney for Petitioner)*

I HEREBY CERTIFY that I have this day served a courtesy copy of the foregoing **ORDER and FINAL AGENCY DECISION** by emailing to the Respondent as follows:

SABRINA EATON  
[Eaton.sabrinam@gmail.com](mailto:Eaton.sabrinam@gmail.com)  
*(Respondent)*

This the 26<sup>th</sup> day of June, 2025



Raheema I. Moore  
Clerk of Court for Administrative Hearings  
Paralegal III  
N.C. Department of Insurance  
General Counsel's Office  
1201 Mail Service Center  
Raleigh, NC 27699-1201