

2. The Notice of Administrative Hearing and Amended Petition for Administrative Hearing was properly served on Respondent by depositing in the United States Postal Service via first class U.S. Mail and via certified U.S. mail, return receipt requested, pursuant to N.C. Gen. Stat. §§ 58-2-69(b), (d) and (e) and Rule 4 of the North Carolina Rules of Civil Procedure. See Pet'r Exs. 1 and 2. The certified mail to Respondent's Ohio address (residential address of record) was delivered. *Id.*

3. Respondent holds an active non-resident North Carolina insurance producer license, National Producer Number 15842512, with lines of authority for Life, Accident & Health or Sickness, Personal Lines and Medicare Supplement/Long Term Care ("License"). See Pet'r Exs. 3-5. Respondent's non-resident insurance producer license was first active in North Carolina on October 13, 2014. *Id.*

4. Lindsay Melgarejo is a Complaint Analyst with ASD, and her job responsibilities include handling enforcement files for ASD. This includes handling Personalized Information Capture System alerts ("PIC alert") received through the National Association of Insurance Commissioners ("NAIC") system. PIC alerts notify NCDOI if another state has taken administrative action against a North Carolina licensee.

5. Ms. Melgarejo was assigned the PIC alert relating to Respondent, which the New York State Department of Financial Services entered into NAIC on June 13, 2023. See Pet'r Ex. 6. Ms. Melgarejo has handled the investigation of Respondent's enforcement file from ASD through the date of the hearing.

6. Ms. Melgarejo was also assigned the PIC alert relating to Respondent, which the Louisiana Department of Insurance entered into the NAIC on March 23, 2024. See Pet'r Ex. 6. Ms. Melgarejo has handled the investigation of Respondent's enforcement file from ASD through the date of the hearing.

7. On March 8, 2023, the New York State Department of Financial Services ("New York") denied Respondent's application for a New York State insurance producer license on the grounds that Respondent demonstrated untrustworthiness and/or incompetence within the meaning and intent of New York State Insurance Law. See Pet'r Ex. 8.

8. On February 7, 2024, the Louisiana Department of Insurance revoked Respondent's Louisiana insurance producer license due to New York's denial of Respondent's non-resident license application and for Respondent's failure to timely report the New York administrative action. See Pet'r Ex. 9.

9. A licensee may report an administrative action by uploading a copy of the administrative action to the National Producer Registry ("NIPR") Attachment

Warehouse or reporting the administrative action directly to NCDOI.

10. Pursuant to N.C. Gen. Stat. § 58-33-32(k), a licensee is obligated to report administrative actions to NCDOI within thirty (30) days. The NIPR Attachment Warehouse screenshot shows that Respondent did not report the administrative action from New York within thirty (30) days from its effective date of March 8, 2023, nor did Respondent report the administrative action from Louisiana within thirty (30) days from its effective date of February 7, 2024. *See* Pet'r Ex. 6. Furthermore, Respondent did not report the March 8, 2023 New York administrative action or the February 7, 2024 Louisiana administrative action directly to ASD.

11. On June 16, 2023, ASD sent written correspondence via U.S. Mail to Respondent's mailing address of record and e-mailed a copy of the letter to Respondent's e-mail addresses of record requesting that Respondent provide a written response, along with documentation regarding the New York administrative action within ten (10) days. *See* Pet'r Ex. 10. Respondent failed to provide any response to this correspondence.

12. On June 26, 2023, ASD sent another written correspondence via U.S. Mail to Respondent's mailing address of record and e-mailed a copy of the letter to Respondent's e-mail addresses of record requesting that Respondent provide a response to the June 16, 2023 correspondence. *See* Pet'r Ex. 11. This correspondence gave Respondent notice that unless Respondent sent a copy of the administrative action and a written statement to ASD within ten (10) days, ASD would consider Respondent to be in violation of N.C. Gen. Stat. §§ 58-2-185 and 58-2-195. *Id.* Respondent failed to provide any response to this correspondence.

13. On July 13, 2023, ASD sent written correspondence via U.S. Mail to Respondent's mailing address of record and e-mailed a copy of the letter to Respondent's e-mail addresses on record requesting that Respondent attend an informal conference to discuss the allegations. *See* Pet'r Ex. 12. The informal conference was scheduled for Respondent on August 22, 2023, at 10:00 a.m. eastern time via the telephone. *Id.* Respondent failed to provide any response to this correspondence.

14. At the August 22, 2023 informal telephonic conference, Respondent did not answer the call from ASD.

15. As of August 14, 2024, Respondent does not have an active resident state license for Respondent's resident licensed state of Ohio. *See* Pet'r Ex. 4.

16. As of the date of this hearing, Respondent has failed to provide any response to ASD and has failed to report the March 8, 2023 New York

administrative action and the February 7, 2024 Louisiana administrative action directly to NCDOI or via the NIPR Attachment Warehouse.

CONCLUSIONS OF LAW

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

2. Respondent was properly served with the Notice of Administrative Hearing and Amended Petition for Administrative Hearing pursuant to N.C. Gen. Stat. §§ 58-2-69(d) and (e) and Rule 4 of the North Carolina Rules of Civil Procedure.

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 and to include a copy of the order or consent order and other information or documents filed in the proceeding necessary to describe the action. Respondent was required to report the New York administrative action (effective March 8, 2023) and the Louisiana administrative action (effective February 7, 2024) within thirty (30) days of each action's effective date.

4. Respondent's failure to report and provide copies of the New York administrative action within thirty (30) days after March 8, 2023, and the Louisiana administrative action within thirty (30) days after February 7, 2024 are violations of N.C. Gen. Stat. § 58-33-32(k).

5. N.C. Gen. Stat. § 58-33-46(a)(2) allows the Commissioner to place on probation, suspend, or revoke the license of a licensee who has violated any insurance law of this or any other state, violated any administrative rule, subpoena, or order of the Commissioner or of another state's insurance regulator, or violated any rule of FINRA.

6. Respondent's non-resident insurance producer license is subject to disciplinary action due to Respondent's violations of N.C. Gen. Stat. § 58-33-32(k) for failing to timely report the New York administrative action and the Louisiana administrative action within thirty (30) days of each action's final disposition.

7. N.C. Gen. Stat. § 58-2-70(c) provides that if, under subsection (b) of this section, the Commissioner finds a violation of this Chapter, the Commissioner may, in addition to or instead of suspending or revoking the license, order the payment of a monetary penalty as provided in subsection (d) of this section. Respondent's failure to report the New York administrative action and the Louisiana administrative action within thirty (30) days of each action's final disposition subjects Respondent's

non-resident insurance producer license to suspension or revocation in accordance with N.C. Gen. Stat. § 58-2-70(b).

ORDER

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

It is ORDERED that Respondent's non-resident insurance producer license issued by the North Carolina Department of Insurance is hereby **REVOKED**, effective five (5) days from the signing of this Order.

This the 5th day of November, 2024.



Shannon Wharry
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 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: 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; 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:

Patricia Jarvis
705 E Maple Street, Apt. #3B
North Canton, OH 44720-2665
(Respondent)

Certified Mail Tracking Number: 9589 0710 5270 0742 5892 66

Patricia Jarvis
13620 Ranch Road 620 N
Suite #A250
Austin, TX 78717-6078
(Respondent)

Certified Mail Tracking Number: 9589 0710 5270 0742 5892 73

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

This the 5th day of November, 2024.


Kimberly W. Pearce, NCCP
Clerk of Court for Administrative Hearings
N.C. Department of Insurance
General Counsel's Office
1201 Mail Service Center
Raleigh, NC 27699-1201