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 SEAN MALDONADO (NPN # 21349886) Respondent.	ORDER AND FINAL AGENCY DECISION Docket Number: 2350

THIS MATTER was heard on April 8, 2026, by the undersigned Hearing Officer, as designated by the Commissioner of Insurance pursuant to N.C. Gen. Stat. § 58-2-55. The administrative hearing was held in the North Carolina Insurance's Hearing Room, Room #211, located at 3200 Beechleaf Court, Raleigh, Wake County, North Carolina. Assistant Attorney General Whitney N. Shaffer represented the North Carolina Department of Insurance (hereinafter "Department"), Agent Services Division (hereinafter "Petitioner" or "ASD"). Respondent Sean Maldonado (hereinafter, "Respondent") did not appear.

Dawne Pittman ("Ms. Pittman"), Licensing Regulatory Analyst for ASD testified for the Petitioner. Petitioner introduced Exhibits 1-10 into evidence.

BASED UPON the careful consideration of the allegations set forth in the Notice of Administrative Hearing ("Notice") and attached Petition for Administrative Hearing ("Petition") in this matter, as well as documentary and testimonial evidence introduced at the hearing, the undersigned Hearing Officer hereby makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. The Notice was properly served on Respondent via first class U.S. mail. *See* Pet'r's Exs. 1 and 2.

2. The Department is a state agency, responsible for the enforcement of

insurance laws and regulating and licensing insurance agents in accordance with Chapter 58 of the North Carolina General Statutes.

3. The Notice and attached Petition and the Affidavit of Service were admitted into evidence as administrative exhibits. *See* Pet'r's Exs. 1 and 2.

4. Respondent is a resident of Arizona. *See* Pet'r's Exs. 3 and 4.

5. The Department has the authority and responsibility for the enforcement of insurance laws of this State and for regulating and licensing insurance agents. Respondent holds a Non-Resident Producer License, National Producer Number 21349886, with a line of authority in Life and Accident & Health or Sickness, first active on or about October 29, 2024. *See* Pet'r's Ex. 3 and 4.

6. Insurance Regulatory Analyst Dawne Pittman is an Insurance Licensing Regulatory Analyst for the Agent Services Division. Her job duties that pertain to this matter include following up on matters where a licensee has failed to pay the required license application fee.

7. Ms. Pittman first became aware of the matter involving Respondent when she received an e-mail notification from the National Insurance Producers Registry ("NIPR") on February 7, 2025, that Respondent's payment of $149.60 for application fees from his license application submitted on October 29, 2024, had not been paid due to a "chargeback" from the credit card that Respondent used to pay the license application fees. *See* Pet'r's Exs. 6 and 7a. The chargeback occurred because Respondent disputed the credit card charge.

8. License application fees are collected by the National Insurance Producer Registry ("NIPR") during the online application process. The NIPR is part of the National Association of Insurance Commissioners (NAIC), and the North Carolina Department of Insurance is a member of the NAIC. The Commissioner of the Department has assigned the National Association of Insurance Commissioners (NAIC) as its designee for the purpose of receiving electronic documents, including applications, and associated electronic payments. The NIPR is the affiliate of the NAIC which receives these applications and electronic payments.

9. Respondent electronically submitted his application for a non-resident producer license with two lines of authority through the NIPR. Respondent's NC producer license application required payment of $149.60, which included a $144.00 licensing fee ("State fees") for the State of North Carolina and a $5.60 application fee (also called "transaction fee"). These fees shall be referred to collectively as the "License Application Fee." Respondent paid his license application fees using a credit card. *See* Pet'r's Ex. 7a.

10. Of the $149.60 due from Respondent for his license application fees, the $5.60 transaction fee is collected and kept by the NIPR. The $144.00 State fees were sent by NIPR to the Department. The Department then pays its contracted application processing vendor, Pearson Vue, $44.00, and the Department retains the remaining $100 license application fee.

11. Prior to notifying the Department of the problem with Respondent's payment for application fees, the NIPR sent invoices and notifications to Respondent attempting to collect payment for the $149.60 license application fees, as well as other fees owed to NIPR, on January 2, 2025 and January 22, 2025. *See* Pet'r's Exs. 7b and 7c. Respondent did not subsequently pay the fees to the NIPR.

12. Respondent answered "no" to all of the screening questions on his license application, and therefore the NIPR issued his license almost immediately after his application was submitted, before the NIPR would receive notice that there was a problem with the application payment. *See* Pet'r's Ex. 5.

13. ASD first received notice from the NIPR that Respondent's license application fees had not been paid on February 7, 2025. *See* Pet'r's Ex. 6. It is ASD's normal practice to give a licensee one opportunity to pay the outstanding license application fee before it sets up an "enforcement file" in the matter. If a licensee pays the outstanding application fees after this first request by ASD, this is not reported as an administrative action and no other adverse action is taken against the licensee. Therefore, on February 20, 2025, prior to setting up an enforcement file in this matter, Ms. Pittman sent an email and letter to Respondent requesting payment of his outstanding license application fees and providing instructions on how he could pay the license application fee through the NIPR. *See* Pet'r's Ex. 8a.

14. On May 30, 2025, Ms. Pittman sent Respondent a notification of an informal conference concerning this matter scheduled via telephone for June 24, 2025. This informal conference notice also included instructions on how Respondent could pay the outstanding application fees. *See* Pet'r's Ex. 8b.

15. Ms. Pittman and her supervisor, Elizabeth Parsons, attempted to call Respondent two times for the informal conference on June 24, 2025. Respondent did not answer the phone on either attempt. *See* Pet'r's Ex. 9.

16. On June 26, 2025, Ms. Pittman sent Respondent and e-mail and letter via first class U.S. mail notifying him that the matter of his unpaid license application fees would be referred for an administrative hearing, but that he could surrender his North Carolina producer license in lieu of a hearing. A surrender form was enclosed with the letter and attached to the e-mail. *See* Pet'r's Ex. 8c. Respondent did not surrender his license and did not otherwise respond.

17. Ms. Pittman verified with the NIPR on the morning of Hearing, April 8, 2026, that Respondent had not paid his license application fees.

18. The Department has lost money due to Respondent's failure to pay his application fees, because the Department still had to pay its vendor Pearson Vue a $44 fee for processing Respondent's application. Additionally, the NIPR lost the $5.60 transaction fee when Respondent's financial institution rejected the application fee payment due to insufficient funds. The Department has also lost license fees because the Respondent has had the benefit of an active North Carolina insurance producer license since October 29, 2024 without having paid the required fees.

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 N.C. Gen. Stat. §§ 58-2-69(d) and 58-2-69(e) and Rule 4 of the North Carolina Rules of Civil Procedure. *See* Pet'r's Exs. 1 and 2.

3. The evidence presented shows that the Respondent was required to pay a license application fee totaling $149.60, payable electronically through the NIPR upon Respondent's application for a Non-Resident Producer license, that included the following:

a. A $100.00 line of authority fee for the lines of authority (Life and Accident & Health or Sickness) as set forth in N.C. Gen. Stat. § 58-33-125(c).
b. A $44.00 initial application processing fee for an out-of-state producer, as authorized by N.C. Gen. Stat. § 58-2-69(g), N.C. Gen. Stat. § 58-2-250 and 11 NCAC 06A .0201. This fee was paid to Pearson Vue, the contracted application processing vendor for the Department.
c. A $5.60 transaction fee to the NIPR, which is the third-party vendor as authorized by N.C. Gen. Stat. § 58-2-69(g), N.C. Gen. Stat. § 58-2-250, and 11 NCAC 06A .0201.

4. Respondent's payment for the license application fee of $149.60, made by credit card during the electronic license application process, was not paid due to a chargeback, whereby Respondent contested the charge with his credit card company.

5. Pursuant to N.C. Gen. Stat. § 58-2-250(a), the NIPR is a designee of the Commissioner with the authority to oversee the electronic filing of insurance producer license applications. Pursuant to N.C. Gen. Stat. § 58-2-250(c), as

Commissioner's designee, the NIPR is authorized to charge administrative fees for electronic filing. These administrative fees may include a transaction fee, credit card processing fee, or other bank processing fee pursuant to 11 NCAC 06A.0201(a), and such fees are to be paid at the time of the electronic filing transaction by electronic payment options including electronic check, credit card, automated clearing house (ACH), or electronic funds transfer (EFT). The administrative fee charged by the NIPR in this matter was $5.60, which has not been paid by the Respondent.

6. Pursuant to N.C. Gen. Stat. § 58-33-125, an applicant for a producer's license must pay a fee of $50.00 to the Commissioner upon application for licensing and $50.00 for each additional line of insurance. Respondent, who has two lines of authority, was required to pay $100.00 pursuant to N.C. Gen. Stat. § 58-33-125, which has not been paid.

7. Pursuant to and as authorized by N.C. Gen. Stat. § 58-2-69(g), and 11 NCAC 06A.0201(a), Respondent was required to pay a $44.00 application processing fee for the third-party vendor, Pearson Vue, which has not been paid, and a $5.60 transaction fee to the NIPR.

8. Pursuant to N.C. Gen. Stat. § 58-33-32(c)(2), a condition for a nonresident person to receive a nonresident producer license includes submitting a request for licensure in the form prescribed by the Commissioner, and payment of the applicable fees required N.C. Gen. Stat. § 58-33-125. Respondent has not met this condition for licensure because he has not paid the applicable license fees due pursuant to N.C. Gen. Stat. § 58-33-125.

9. Respondent has failed to pay any of the required fees for licensure pursuant to N.C. Gen. Stat. § N.C. Gen. Stat. §§ N.C. Gen. Stat. § 58-2-69(g), 58-33-32(c)(2), 58-33-125, 58-2-250(a), and 11 NCAC 06A.0201(a), despite numerous requests and opportunities to do so by both the NIPR and ASD. Respondent has further failed to respond to any correspondence or inquiries by ASD and failed to attend a telephonic informal conference.

10. The Department has lost $144.00 due to Respondent's failure to pay the required licensure fees pursuant to N.C. Gen. Stat. §§ 58-2-69(g), 58-33-32(c)(2), 58-33-125, 58-2-250(a), and 11 NCAC 06A.0201(a), including $44.00 which was paid by the Department to Pearson Vue, and $100.00 that was due to the Department. Additionally, the NIPR has lost $5.60 due to the unpaid transaction fee. Respondent has now had the benefit of an active insurance producer license issued by this Department for over a year without having paid the required license application fees.

11. N.C. Gen. Stat. § 58-33-46(a)(2) states that the Commissioner may place on probation, suspend, or revoke the license of a licensee that 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.

12. Pursuant to N.C. Gen. Stat. § 58-33-46(a)(8), a licensee's license may be subject to disciplinary action for demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this State or elsewhere. Respondent's failure to pay his licensure fees as set forth above, as well as his continued failure to do so after multiple reminders and opportunities to do so, constitutes incompetence and financial irresponsibility in the conduct of business.

13. Pursuant to N.C. Gen. Stat. § 58-33-46(a)(17), a licensee's license may be subject to disciplinary action for any cause for which issuance of the license could have been refused had it then existed and been known to the Commissioner at the time of issuance. Respondent's license would have been refused for failure to pay the required licensure fees had the Department known Respondent had not provided valid payment at the time of his license application, and therefore this is cause for revocation.

14. Respondent's non-resident agent's licenses are subject to disciplinary action pursuant to N.C. Gen. Stat. § 58-33-46(a)(2) based upon his failure to pay the statutorily required license fees pursuant to N.C. Gen. Stat. §§ 58-2-69(g), 58-33-32(c)(2), 58-33-125, 58-2-250(a), and 11 NCAC 06A.0201(a).

15. N.C. Gen. Stat. § 58-2-70 authorizes the Commissioner to order the payment of a monetary penalty upon a finding of a violation of Chapter 58 of the North Carolina General Statutes. The Department has suffered a financial loss due to Respondent's violations of §§ 58-33-125(c), 58-2-69(g), 58-33-46(a)(2), (8) (17) and 11 NCAC 06A.0201(a) when he failed to pay his license fees. A financial penalty is therefore appropriate in this matter. Further, the Respondent in this matter took an affirmative action, by disputing the credit card charge for his license application fees, that caused his license application fee payment to not be honored, which is further cause to issue a monetary penalty against him.

16. Respondent failed to pay his license application fees as required for licensure, despite numerous opportunities to do so. Respondent did not avail himself of the opportunity to participate in an informal conference with ASD, and Respondent did not thereafter call ASD back or have any other communication with ASD.

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 four (4) days following the date that this Order is placed in first class U.S. mail to Respondent, as evinced by the Certificate of Service, pursuant to N.C. Gen. Stat. § 58-2-69(e).

It is further ordered that pursuant to N.C. Gen. Stat. § 58-2-70(c), Respondent shall make payment of a monetary penalty of two hundred and fifty dollars ($250.00), by certified check made payable to the "North Carolina Department of Insurance." The certified check must be dated on or before sixty (60) days of the date of the signing of this Order and received by the **North Carolina Department of Insurance, Agent Services Division (Attention: Nadine Scott, ASD), 1204 Mail Service Center, Raleigh, N.C. 27699-1204** no later than on or before sixty (60) days of the date of the signing of this Order. Failure to timely pay this monetary penalty is a violation of an Order of the Commissioner and may be considered cause for future license denial by the Department and may be cause for other legal recourse required to collect this monetary penalty.

This the 10 day of August, 2026.

[redacted]

Amy Funderburk
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 Respondent, at the address provided to the Commissioner pursuant to N.C. Gen. Stat. § 58-2-69(b); and via courtesy e-mail to Respondent; and via State Courier and courtesy e-mail to Attorney for Petitioner, addressed as follows:

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This the 10th day of August, 2026.

[redacted]

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