

NORTH CAROLINA DEPARTMENT OF INSURANCE
RALEIGH, NORTH CAROLINA

RECEIVED IN AGENT SERVICES
A.S. - N.C.D.O.I.

AUG 3 2021

STATE OF NORTH CAROLINA
COUNTY OF WAKE

BEFORE THE [REDACTED]
COMMISSIONER OF INSURANCE 600.00

IN THE MATTER OF:

THE LICENSURE OF
CORINTHIAN PRESTON
(NPN # 19255595)

Respondent.

CONSENT ORDER

Docket Number: 2056

CONSENT ORDER

This agreed Consent Order (the "Consent Order") is entered into on the 11th day August, 2021 (the "Effective Date") between the Agent Services Division of the North Carolina Department of Insurance ("Agent Services") and Corinthian Preston ("Respondent").

JURISDICTION AND GENERAL FINDINGS

The Agent Services Division has the authority and responsibility for enforcement of the insurance laws of this State, and for regulating and licensing insurance agents.

This administrative proceeding was instituted against Respondent on July 21, 2021 pursuant to a Notice of Hearing.

FINDINGS OF FACT

1. At all relevant times herein, Respondent held a Non-Resident Producer License with lines of authority for Accident & Health or Sickness along with a Non-Resident Medicare Supplement Long-Term Care License. Respondent's National Producer License Number (NPN) is 19255595.

2. Effective July 1, 2020, the Indiana Department of Insurance entered an order suspending Respondent's non-resident producer license for violating Indiana Code § 27-1-15.6-12(g) by failing to provide a list of his appointments with insurers within ten (10) days of receiving a request for such list from the Commissioner. The order provided that Respondent's license would remain suspended until the

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Respondent provided the required list of appointments.

3. Effective July 29, 2020, the Nebraska Department of Insurance entered an order imposing a \$500.00 penalty against Respondent for having been terminated for cause by Mutual of Omaha due to a business decision and for having committed an unfair trade practice by failing to respond to Department inquiries about the company's notice of termination for cause.

4. Respondent failed to notify the Commissioner of the administrative actions taken by Indiana and Nebraska within thirty (30) days of final disposition of each action as required by N.C. Gen. Stat. § 58-33-32(k).

5. Respondent failed to respond to the Department's requests for a written response and documentation pertaining to the administrative actions taken by Indiana and Nebraska and failed to participate in informal conferences scheduled by the Department for the purposes of discussing these administrative actions and Respondent's failure to report the Indiana and Nebraska actions. Agent Services thus referred this matter to the Attorney General's office for preparation of a Petition for Hearing. Since that time, additional administrative actions (as outlined in the following paragraphs) were taken against Respondent's license by the Washington, California, Louisiana, and Wisconsin Departments of Insurance.

6. Effective December 21, 2020, the Washington Department of Insurance revoked Respondent's nonresident agent license for failure to respond to the Department's inquiries, for other states' administrative actions against Respondent, and failure to report those other state actions.

7. Effective January 16, 2021, the California Department of Insurance revoked Respondent's nonresident agent license due to other states' administrative actions against Respondent in violation of California insurance laws and regulations.

8. Effective April 27, 2021, the Louisiana Department of Insurance entered an order revoking Respondent's nonresident agent license for failing to report the Indiana suspension order and the Nebraska order imposing a penalty against him to the Louisiana Department of Insurance and for failing to submit required documentation and information as required in violation of Louisiana insurance laws.

9. On March 10, 2021, the Wisconsin Department of Insurance entered a Notice of Forfeiture Assessment imposing a \$500 penalty on Respondent for failing to report administrative actions against his agent license made by the states of California, Washington, Alabama, Nebraska, and Indiana in violation of Wisconsin insurance laws. The Notice required payment of the \$500 penalty within 30 days in order to avoid additional forfeitures. The Notice required payment of the \$500 penalty within 30 days in order to avoid additional forfeitures. The Notice also

informed Respondent of his right to contest the administrative action.

10. Respondent failed to pay the \$500 penalty, failed to contest the Wisconsin Notice of Forfeiture Assessment, and failed to respond to a May 4, 2021 warning letter from the Wisconsin Department of Insurance. Thus, effective May 20, 2021, the Wisconsin Department of Insurance entered an order revoking Respondent's nonresident agent license for failure to pay the foregoing penalty to the Wisconsin Department of Insurance in violation of the March 10, 2021 Notice of Forfeiture.

11. Respondent also failed to notify the Commissioner of the administrative actions taken by Washington, California, Louisiana, and Wisconsin Departments of Insurance within thirty (30) days of final disposition of each state's action as required by N.C. Gen. Stat. § 58-33-32(k).

12. The Agent Services Division was finally able to reach Respondent by telephone in July 2021 regarding the scheduling of the hearing in this matter. During that telephone call, Respondent informed Agent Services that he was unaware of the Department's prior e-mail correspondence with him regarding this matter and requested a conference with Agent Services to discuss possible resolution of this matter. During a subsequent telephone conference with Agent Services, Respondent explained that Mutual of Omaha terminated his appointment in 2019 for cause due to an isolated instance in which he unknowingly violated company policy by altering the weight of a health insurance applicant by two pounds based upon his understanding that a person's weight can fluctuate within 5 pounds. Following the termination of his appointment with Mutual of Omaha, Respondent lost his insurance job, fell on hard times, and ended up homeless from approximately November 2019 until August 2020. In August 2020, Respondent moved into his parent's home and regained employment with an insurance broker.

13. During a subsequent informal conference with Agent Services, Respondent further explained that he did not receive notices from the states which initiated and took administrative action against him due to his state of homelessness. Respondent further asserted that he wrongly assumed that his prior employers would ensure his compliance with state regulators' reporting requirements. On or about June 24, 2021, Respondent first became aware, through his most recent employment with another brokerage firm, that he had licensing issues in the various states that had taken action against his license. Since that time, Respondent has endeavored to contact those state regulators in an effort to seek the rescission of those state's revocation orders and reinstatement of his licenses in those states where possible. On July 13, 2021, Respondent uploaded the administrative actions taken against him by other states to the NIPR warehouse after Agent Services informed him of the procedure for uploading administrative actions to the NIPR warehouse as a means of complying with State law reporting requirements.

14. Whereas, Respondent has agreed to notify the Commissioner of any administrative action taken against him by another state within 30 days after the final disposition of the matter as required by N.C. Gen. Stat. § 58-33-32(k).

15. Whereas, Respondent has agreed to pay an administrative penalty in the amount of \$600.00 for his failure to report the administrative actions taken by Indiana, Nebraska, Washington, California, Louisiana, and Wisconsin in violation of N.C. Gen. Stat. § 58-33-32(k) in order to resolve this matter with Agent Services.

CONCLUSIONS OF LAW

1. Notice in this matter was timely and properly effected.
2. This matter is properly before the Commissioner of Insurance and the Commissioner has jurisdiction over the Parties and the subject matter.
3. 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 30 days after the final disposition of the matter.
4. 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.
5. Respondent violated N.C. Gen. Stat. § 58-33-32(k) by failing to report the administrative actions taken against it by Indiana, Nebraska, Washington, California, Louisiana, and Wisconsin within 30 days after final disposition of each action and violated the insurance laws of those states.
6. N.C. Gen. Stat. § 58-33-46(a)(9) states that the Commissioner may place on probation, suspend, or revoke the license of a licensee for "[h]aving an insurance producer license, or its equivalent, denied, suspended, or revoked in any other jurisdiction for reasons substantially similar to those listed in this subsection."
7. The revocation of Respondent's Indiana, Nebraska, Washington, California, Louisiana, and Wisconsin licenses were for reasons substantially similar to those listed in N.C. Gen. Stat. § 58-33-46(a).
8. 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.

9. In lieu of suspending or revoking Respondent's producer license, a monetary penalty of \$600.00 should be imposed against Respondent pursuant to N.C. General Statute § 58-2-70 based upon his violations of N.C. Gen. Stat. §§ 58-33-46(a)(2) & (9) and 58-33-32(k).

10. Respondent consents to be bound by this Consent Order and understands that it has the same binding authority as a final Order of the Commissioner.

11. Respondent expressly waives his right to a hearing and to any further proceedings on this matter. Respondent also expressly waives his right to seek judicial review or to otherwise challenge the validity of this Consent Order.


12. This written document contains the entire agreement between the Parties. There are no other oral or written agreements of any kind which alter or add to this agreement.

IT IS THEREFORE, BY CONSENT, ORDERED as follows:

1. Respondent shall pay a penalty in the amount of six hundred dollars (\$600.00) for violations of N.C. Gen. Stat. §§ 58-33-46(a) (2) & (9) and 58-33-32(k). Respondent shall pay the \$600.00 penalty by cashier check made payable to the North Carolina Department of Insurance. The check shall accompany this Consent Order when it is sent to the Department after Respondent signs this Consent Order. Upon receipt of this Consent Order by the Department, the Hearing Officer will sign this Consent Order.

2. This Consent Order shall become effective after the Department receives payment of the award from Respondent and the Consent Order has been signed by the Parties and the Hearing Officer.

IN WITNESS WHEREOF, the parties have duly executed this Consent Order this 1st day of August, 2021.


A. John Hoomani
Hearing Officer
North Carolina Department of Insurance

CONSENTED TO BY:

By



Cornelia F. Preston
Producer

7/23/2021

Date

**NORTH CAROLINA
DEPARTMENT OF INSURANCE**

By:



Angela Hatchell
Deputy Commissioner

8/3/2021

Date