

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

Cause No.: 13390-AD15-0331-013

IN THE MATTER OF:)
)
INSURANCE PRODUCER LICENSE)
APPLICATION OF:)
)
Karl Canaii)
7580 Stirling Rd #213)
Hollywood, FL 33024)

FILED

APR 10 2015

STATE OF INDIANA
DEPT. OF INSURANCE

PRELIMINARY ADMINISTRATIVE ORDER
AND NOTICE OF LICENSE DENIAL

The Indiana Department of Insurance, pursuant to the Indiana Administrative Act, Indiana Code §4-21.5-1 et seq. and Indiana Code §27-1-15.6-12, hereby gives notice to Karl Canaii (“Applicant”) of the following Administrative Order:

1. Applicant filed an application for licensure with the Commissioner of the Indiana Department of Insurance (“Commissioner”) on September 29, 2014.
2. Before approving an application, the Commissioner must find that the applicant has met specific requirements under Indiana Code §27-1-15.6-6 and Indiana Code §27-1-15.6-12.
3. Indiana Code §27-1-15.6-12(b) provides, in part, that the Commissioner may refuse to issue or renew an insurance producer license for providing incorrect, misleading, incomplete, or materially untrue information in a license application, and for violating an order of the commissioner.
4. Following a review of materials submitted by Applicant in support of his application, the Commissioner being fully advised, now hereby notifies Applicant that he has not fully met the requirements of licensure as stated by Indiana Code §27-1-15.6-12 due to his

failure to disclose two (2) other state's administrative actions, a misdemeanor on his application for licensure, and for violating an order of the commissioner.

5. Indiana Code §27-1-15.6-12(d) provides that the applicant or licensee may, not more than sixty-three (63) days after notice of denial of the applicant's application or non renewal of the licensee's license is mailed, make written demand to the commissioner for a hearing before the commissioner to determine the reasonableness of the commissioner's action.

IT IS THEREFORE ORDERED that the Applicant's request for licensure is hereby DENIED pursuant to Indiana Code §27-1-15.6-12 (b).

4-10-15

Date Signed



Stephen W. Robertson, Commissioner
Indiana Department of Insurance

Distribution:

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CERTIFIED MAIL RECEIPT: 9214 8901 0661 5400 0054 4250 22

Indiana Department of Insurance - CONFIDENTIAL
Enforcement Division

To: Douglas J. Webber, Chief of Staff
Cc: Brigitte R. Collier, Attorney
From: Calla Dain, Jr. Investigator, Enforcement Division
Date: April 8, 2015

Re: Karl Canai ("Applicant")
Cause No.: 13390-AD15-0331-013

Purpose:

The purpose of this memo is to request the Commissioner adopt the attached Preliminary Order of Denial for failing to disclose a misdemeanor conviction, an administrative action from 2013, and a 2014 license revocation on his application for licensure. Additionally, Applicant violated an order of the commissioner.

Issue:

Whether a nonresident applicant, who failed to disclose a misdemeanor, an administrative action, a license revocation, and then violated an order of the commissioner should be denied licensure.

Facts:

Applicant is a nonresident. His home state is Florida. He submitted an application for a nonresident producer's license on September 29, 2014. On his application, he failed to disclose an August 21, 2013 administrative action in Michigan, and a March 25, 2014 license revocation in Virginia. The administrative action taken against him in Michigan was a Cease and Desist Order for conducting insurance business without a license. While licensed as a nonresident in Virginia he failed to report Michigan's action and additionally failed to respond to Virginia's inquiries. This resulted in his Virginia nonresident license revocation.

Additionally, in his September 29, 2014 application, Applicant also failed to disclose, but provided documentation for, an October 2, 2000 misdemeanor conviction for Theft in Pennsylvania. Furthermore, while in college, Applicant and a friend broke into a vending machine to steal sodas and loose change.

Applicant entered into an Agreed Entry with the Enforcement Division on January 16, 2015. The Commissioner accepted the agreement and issued a Final Order on January 20, 2015. Applicant was ordered to pay a seven hundred and fifty dollar (\$750) civil penalty for his failure to disclose information in his license application, to be paid within thirty (30) days of Applicant's receipt of the order. The order was successfully delivered by certified mail on February 02, 2015. Applicant had not paid the fine or responded to any inquiries made by the Enforcement Division regarding it.

Did not pay fine

Analysis:

Ind. Code §27-1-15.6-12(b)(1) authorizes the Commissioner to deny a producer license for providing incorrect, misleading, incomplete, or materially untrue information on a license application.

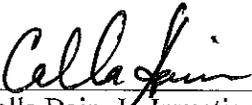
Ind. Code §27-1-15.6-12(b)(9) authorizes the Commissioner to deny a producer license for having an insurance license revoked in any other state.

Ind. Code §27-1-15.6-12(b)(2)(D) the Commissioner to deny a producer license for violating an order of an insurance commissioner.

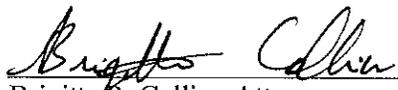
The Enforcement Division believes no action other than the denial of Applicant's license should be enforced because: (1) Applicant failed to disclose administrative actions on his application for licensure, (2) Applicant failed to disclose a misdemeanor conviction on his application for licensure, and (3) Applicant did not pay the civil penalty ordered by the Commissioner.

Recommendation

We recommend the Commissioner deny Applicant's license for failing to disclose a 2013 administrative action and a 2014 license revocation on his application for licensure, and for violating an order of the Commissioner.



Calla Dain, Jr. Investigator



Brigitte R. Collier, Attorney