

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NO: 16866-AG18-0215-023

IN THE MATTER OF:

Daniel Gescheidler
8968 Calhoun Place
Crown Point, IN 46307

Respondent.

Resident Producer License #: 2648280

Type of Action: Enforcement

FILED

DEC 17 2018

STATE OF INDIANA
DEPT. OF INSURANCE

FINAL ORDER

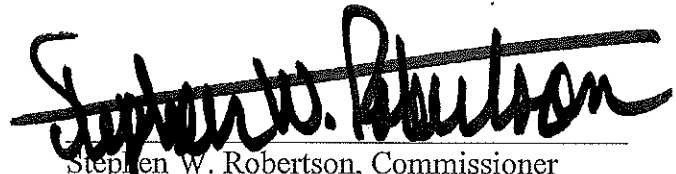
The Enforcement Division of the Indiana Department of Insurance ("Department"), by counsel, Erica J. Dobbs, and Daniel Gescheidler ("Respondent"), a licensed resident insurance producer, signed an Agreed Entry which purports to resolve all issues involved in the above-captioned cause number, and which has been submitted to the Commissioner of the Indiana Department of Insurance ("Commissioner") for approval.

The Commissioner, after reviewing the Agreed Entry, which places Respondent on probation due to his agency co-owner's misappropriation of \$516,167.96 in premium from Liberty Mutual Insurance and \$512,202.00 in premium from The Hartford Financial Services Group and requires restitution for the same, finds it has been entered into fairly and without fraud, duress or undue influence, and is fair and equitable between the parties. The Commissioner hereby incorporates the Agreed Entry, attached, as if fully set forth herein, and approves and adopts in full the Agreed Entry as a resolution of this matter.

IT IS THEREFORE ORDERED by the Commissioner as follows:

1. Respondent shall be placed on probation, effective the date of this order, and shall remain on probation until restitution is paid in full to Liberty and The Hartford and proof is provided to the Department of the same.
2. During the term of probation, any violation of Title 27 of the Indiana Code will result in the Department seeking immediate revocation of Respondent's license.
3. The Department agrees to accept this agreement as full resolution of this matter.

ALL OF WHICH IS ORDERED this 17 day of December 2018.

A handwritten signature in black ink, reading "Stephen W. Robertson". The signature is written in a cursive, flowing style with a horizontal line drawn through the middle of the name.

Stephen W. Robertson, Commissioner
Indiana Department of Insurance

Distribution:

Erica J. Dobbs, Attorney
ATTN: Taylor Peycha, Insurance Investigator
Indiana Department of Insurance
311 West Washington St, Suite 103
Indianapolis, Indiana 46204-2787

Daniel Gescheidler
c/o Michael Brown, Counsel
Kightlinger & Gray, LLP
One Indiana Square, Suite 300
211 N. Pennsylvania Street
Indianapolis, IN 46204

STATE OF INDIANA)
) SS:
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BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NO: 16866-AG18-0215-023

IN THE MATTER OF:

Daniel Gescheidler
8968 Calhoun Place
Crown Point, IN 46307

Respondent.

Resident Producer License #: 2648280

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STATE OF INDIANA
DEPT. OF INSURANCE

AGREED ENTRY

This Agreed Entry is executed by the Indiana Department of Insurance ("Department"), by counsel, Erica J. Dobbs, and Daniel Gescheidler ("Respondent"), a licensed resident insurance producer, to resolve all issues in the above captioned matter. This Agreed Entry is subject to the review and approval of Stephen W. Robertson, Commissioner of the Indiana Department of Insurance ("Commissioner").

WHEREAS, Respondent is a licensed resident insurance producer, holding license number 2648280 since September 9, 1996;

WHEREAS, Respondent and his father, John Gescheidler, are co-owners of Hammond National Company, Inc., a licensed resident insurance producer agency;

WHEREAS, on or about October 6, 2017, the Department received a complaint from Liberty Mutual Insurance ("Liberty") that John Gescheidler had withheld premium totaling \$516,167.96, in connection to one account, that had been paid to the agency by the policyholder;

WHEREAS, on or about February 20, 2018, the Department was notified by The Hartford Financial Services Group ("The Hartford") that John Geischeidler had been terminated

for cause on February 9, 2018 due to withholding premium totaling \$512,202.00, in connection to one account, that had been paid to the agency by the policyholder;

WHEREAS, while Respondent was not directly responsible for the withheld funds, he was aware that the agency had insufficient funds on accounts handled by John Geisheidler to pay premiums due to the companies;

WHEREAS, as of November 26, 2018, the amount of premium remaining unpaid to Liberty is \$326,063.07;

WHEREAS, as of November 26, 2018, the amount of premium remaining unpaid to The Hartford is \$390,739.40;

WHEREAS, Respondent's conduct is a violation of Indiana Code § 27-1-15.6-12(b)(4), which states, in part, that the Commissioner may place an insurance producer on probation for improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business;

WHEREAS, Respondent's conduct is a violation of Indiana Code § 27-1-15.6-12(b)(8), which states, in part, that the Commissioner may place an insurance producer on probation for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in Indiana or elsewhere.

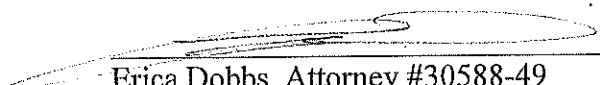
WHEREAS, the Department and Respondent (collectively, the "Parties") desire to resolve the issues in this matter without the necessity of a hearing.

IT IS, THEREFORE, NOW AGREED by and between the Parties as follows:

1. The Commissioner has jurisdiction over the subject matter and the Parties in this administrative action.
2. This Agreed Entry is executed voluntarily by the Parties.

3. Respondent voluntarily and freely waives the right to a public hearing in this matter.
4. Respondent voluntarily and freely waives the right to judicial review of this matter.
5. Respondent has read and examined this agreement and fully understands its terms.
6. Respondent has entered into this agreement freely, and has not been subject to duress, threat or undue influence
7. Respondent shall be placed on probation, effective the date the Commissioner executes the Final Order adopting this Agreed Entry, and shall remain on probation until restitution is paid in full to Liberty and The Hartford, and proof is provided to the Department of the same.
8. During the term of probation, any violation of Title 27 of the Indiana Code will result in the Department seeking immediate revocation of Respondent's license.
9. The Department agrees to accept Respondent's compliance with the agreement herein as full satisfaction of this matter.
10. Should additional violations manifest, the Department shall take additional administrative action on the new violation(s).
11. Should this Agreed Entry not be accepted by the Commissioner, it is agreed that presentation to and consideration of this Agreed Entry by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation in or resolution of these proceedings nor be deemed an admission by Respondent.
12. Respondent is aware that failure to comply with any term of this agreement will result in the matter being set for hearing.

10/14/18
Date Signed


Erica Dobbs, Attorney #30588-49
Indiana Department of Insurance

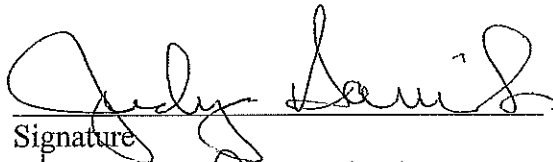
12/11/18
Date Signed


Daniel Geschéidder, Respondent

STATE OF INDIANA)
COUNTY OF Lake) SS:

Before me a Notary Public for Lake County, State of Indiana,
personally appeared Daniel Gescheidler and being first duly sworn by me upon his oath, says
that the facts alleged in the foregoing instrument are true.

Signed and sealed this 11th day of Dec., 2018.


Signature
Judy Daniels
Printed

My Commission expires: 1-13-2025

County of Residence: Lake

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE
CAUSE NO: 16866-AG18-0215-023

IN THE MATTER OF:

Hammond National Company, Inc.)
PO Box 607)
Hammond, IN 46320)
Resident Producer License # 1393540)

John H. Gescheidler)
5248 Hohman Avenue)
Hammond, IN 46320)
Resident Producer License # 2068310)

Daniel Gescheidler)
8968 Calhoun Place)
Crown Point, IN)
Resident Producer License #2648280)

Respondents)

Type of Action: Enforcement)

FILED

DEC 06 2018

STATE OF INDIANA
DEPT. OF INSURANCE

ORDER VACATING HEARING

This cause came before the Administrative Law Judge upon the unopposed motion of the Respondents Hammond National Company, Inc., John H. Gescheidler and Daniel Gescheidler, to vacate the hearing now set for December 5, 2018, and the Administrative Law Judge, having reviewed same, now GRANTS said motion.

IT IS THEREFORE ORDERED that the hearing scheduled for December 5, 2018 is vacated until further notice.

DATED: Dec 6, 2018



Administrative Law Judge
Indiana Commissioner of Insurance

Distribution to:

Michael E. Brown – mbrown@k-glaw.com
Erica Dobbs - Edobbs@idoi.in.gov

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE
CAUSE NO.: 16866-AG18-0215-023

IN THE MATTER OF:

Hammond National Company Inc.
PO Box 607
Hammond, IN 46320
Resident Producer License #: 1393540

John H Gescheidler
5248 Hohman Avenue
Hammond, IN 46320
Resident Producer License #: 2068310

Daniel Gescheidler
8968 Calhoun Place
Crown Point, IN 46307
Resident Producer License #: 2648280

Respondents.

Type of Action: Enforcement


FILED

SEP 27 2018

STATE OF INDIANA
DEPT. OF INSURANCE

ORDER GRANTING SECOND MOTION TO EXTEND EMERGENCY SUSPENSION

Indiana Department of Insurance Commissioner Stephen W. Robertson, now being so advised, hereby grants Department's Motion to Extend Emergency Suspension for an additional ninety (90) days, pursuant to Indiana Code § 4-21.5-4-5(b), or until a Final Order is issued in this matter, whichever time period is shorter, effective this 27 day of September, 2018.


Stephen W. Robertson, Commissioner
Indiana Department of Insurance

Distribution:

Michael E. Brown
KIGHTLINGER & GRAY
One Indiana Square Suite 300
211 N. Pennsylvania Street
Indianapolis, IN 46204

Erica Dobbs
Indiana Department of Insurance
311 West Washington Street, Suite 103
Indianapolis, Indiana 46204

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NO.: 16866-AG18-0215-023

IN THE MATTER OF:)
)
Hammond National Company Inc.)
 PO Box 607)
 Hammond, IN 46320)
Resident Producer License #: 1393540)
)
John H Gescheidler)
 5248 Hohman Avenue)
 Hammond, IN 46320)
Resident Producer License #: 2068310)
)
Daniel Gescheidler)
 8968 Calhoun Place)
 Crown Point, IN 46307)
Resident Producer License #: 2648280)
)
Respondents.)
)
Type of Action: Enforcement)

FILED

SEP 27 2018

STATE OF INDIANA
DEPT. OF INSURANCE

SECOND MOTION TO EXTEND EMERGENCY SUSPENSION

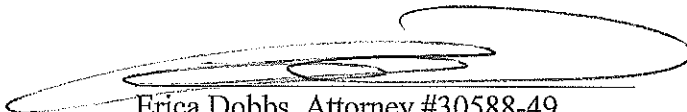
The Indiana Department of Insurance ("Department") moves pursuant to Indiana Code § 4-21.5-4-5 for an Order extending the emergency license suspension of Hammond National Company Inc., John H Gescheidler, and Daniel Gescheidler (collectively, "Respondents"). As grounds for the extension, the Department states:

1. On February 23, 2018, the Department filed its Findings of Fact, Conclusions of Law, and Emergency Order ("Emergency Order") suspending Respondents' licenses for ninety (90) days, pursuant to Indiana Code § 4-21.5-4-2(a)(1).
2. Said suspension was extended for an additional ninety (90) days on May 25, 2018.

3. Respondent's license was suspended due to allegations that Respondents failed to remit premium received totaling \$516,167.96 to Liberty Mutual Insurance.
4. The Enforcement Division has been investigating Respondents' appointments and related financial activity and discovered at least one (1) additional carrier to whom Respondents have failed to remit premium received. Specifically, Respondents have failed to remit premium received \$212,655.90 to The Hartford.
5. The Enforcement Division filed its Statement of Charges on July 24, 2018 and the matter is currently set for hearing on October 3, 2018.
6. Indiana Code § 4-21.5-4-5(b) states that during the pendency of any related proceedings under Indiana Code § 4-21.5-3, the agency responsible for the proceeding may renew the order for successive ninety (90) day periods.
7. It is in the best interest of the public that Respondents' emergency suspension continues until this matter can be resolved.
8. The Department has notified counsel for Respondent of the filing of this motion.

WHEREAS, the Department requests that the Emergency Order be lengthened for an additional ninety (90) days, or until a Final Order is issued in this matter, whichever is shorter.

Respectfully submitted,

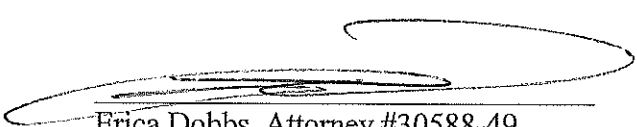


Erica Dobbs, Attorney #30588-49
Indiana Department of Insurance
311 West Washington Street, Suite 103
Indianapolis, Indiana 46204

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing has been sent by first class United States mail, proper postage prepaid to the following on the same day as filing.

Michael E. Brown
KIGHTLINGER & GRAY
One Indiana Square Suite 300
211 N. Pennsylvania Street
Indianapolis, IN 46204



Erica Dobbs, Attorney #30588-49
Indiana Department of Insurance
311 West Washington Street, Suite 103
Indianapolis, Indiana 46204
(317) 234-5887

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NO: 16866-AG18-0215-023

IN THE MATTER OF:)

Hammond National Company Inc.)
 PO Box 607)
 Hammond, IN 46320)
Resident Producer License #: 1393540)

John H Gescheidler)
 5248 Hohman Avenue)
 Hammond, IN 46320)
Resident Producer License #: 2068310)

Daniel Gescheidler)
 8968 Calhoun Place)
 Crown Point, IN 46307)
Resident Producer License #: 2648280)

Respondents.)

Type of Action: Enforcement)

FILED

JUL 24 2018

STATE OF INDIANA
DEPT. OF INSURANCE

STATEMENT OF CHARGES

The Enforcement Division of the Indiana Department of Insurance ("Department"), by counsel, Erica J. Dobbs, pursuant to the Indiana Administrative Orders and Procedures Act, Indiana Code § 4-21.5 *et seq.*, files its Statement of Charges against Hammond National Company Inc., John H Gescheidler, and Daniel Gescheidler (Collectively, "Respondents"), as follows:

FACTS

1. Hammond National Company Inc. is a licensed resident insurance producer agency, holding license number 1393540 since September 20, 1941.
2. John H Gescheidler is a licensed resident insurance producer, holding license number 2068310 since May 18, 1981.

3. Daniel Gescheidler is a licensed resident insurance producer, holding license number 2648280 since September 9, 1996.
4. On or about October 6, 2017, the Indiana Department of Insurance ("Department") received a complaint from Liberty Mutual Insurance ("Liberty") that Respondents had withheld premium totaling \$516,167.96 in connection to one account.
5. Respondent John Gescheidler informed representatives of Liberty on or about September 26, 2017 that the policyholder for the account in question had paid its premium to Respondents, but Respondents had gotten into trouble financially.
6. Liberty is currently withholding commissions from Respondents Liberty and SafeCo Insurance accounts to recoup the withheld premium.
7. On February 27, 2018, Respondent John Gescheidler stated to the Department that Liberty was the only company from which Respondents withheld premium and Respondents were in good standing with all other appointments.
8. On February 20, 2018, the Department received notice from The Hartford Financial Services Group ("The Hartford") that Respondents had been terminated for cause on February 9, 2018, due to breach of their agency agreement and lack of payment on premium due. Specifically, Respondents had withheld premium totaling \$512,202.00 in connection to one account.
9. Respondent John Gescheidler informed representatives of The Hartford on or about January 10, 2018 that the policyholder for the account in question had paid its premium to Respondents in its entirety. Respondent John Gescheidler had previously informed The Hartford that Respondents were behind on their payments because funds were not readily available.

CHARGES

COUNT I

1. Averments 1 and 4 through 6 are incorporated fully herein by reference.
2. Respondent's conduct is a violation of Indiana Code § 27-1-15.6-12(b)(4), which states, in part, that the Commissioner may permanently revoke an insurance producer license for improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business.

COUNT II

1. Averments 1 and 8 through 9 are incorporated fully herein by reference.
2. Respondent's conduct is a violation of Indiana Code § 27-1-15.6-12(b)(4), which states, in part, that the Commissioner may permanently revoke an insurance producer license for improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business.

COUNT III

1. Averments 1 and 4 through 9 are incorporated fully herein by reference.
2. Respondent's conduct is a violation of Indiana Code § 27-1-15.6-12(b)(8), which states, in part, that the Commissioner may permanently revoke an insurance producer license for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in Indiana or elsewhere.

COUNT IV

1. Averments 2 and 4 through 6 are incorporated fully herein by reference.
2. Respondent's conduct is a violation of Indiana Code § 27-1-15.6-12(b)(4), which states, in part, that the Commissioner may permanently revoke an insurance producer license for improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business.

COUNT V

1. Averments 2 and 8 through 9 are incorporated fully herein by reference.
2. Respondent's conduct is a violation of Indiana Code § 27-1-15.6-12(b)(4), which states, in part, that the Commissioner may permanently revoke an insurance producer license for improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business.

COUNT VI

1. Averments 2 and 4 through 9 are incorporated fully herein by reference.
2. Respondent's conduct is a violation of Indiana Code § 27-1-15.6-12(b)(8), which states, in part, that the Commissioner may permanently revoke an insurance producer license for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in Indiana or elsewhere.

COUNT VII

1. Averments 3 through 6 are incorporated fully herein by reference.
2. Respondent's conduct is a violation of Indiana Code § 27-1-15.6-12(b)(4), which states, in part, that the Commissioner may permanently revoke an insurance producer license for improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business.

COUNT VIII

1. Averments 3 and 8 through 9 are incorporated fully herein by reference.
2. Respondent's conduct is a violation of Indiana Code § 27-1-15.6-12(b)(4), which states, in part, that the Commissioner may permanently revoke an insurance producer license for improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business.

COUNT IX

1. Averments 3 through 9 are incorporated fully herein by reference.
2. Respondent's conduct is a violation of Indiana Code § 27-1-15.6-12(b)(8), which states, in part, that the Commissioner may permanently revoke an insurance producer license for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in Indiana or elsewhere.

WHEREFORE, the Enforcement Division of the Indiana Department of Insurance, by counsel, Erica J. Dobbs, respectfully requests that the Commissioner set this matter for a hearing pursuant to Indiana Code § 4-21.5 *et seq.*, and:

1. Issue an order permanently revoking Respondent John Gescheidler's insurance producer license;
2. Issue an order permanently revoking Respondent Daniel Gescheidler's insurance producer license;
3. Issue an order permanently revoking Respondent Hammond National Company Inc.'s insurance producer license;
4. Issue an order requiring Respondents to make restitution, jointly and severally, to Liberty and The Hartford for the improperly withheld premium remaining due;
5. All other relief just and proper in the premises.

Respectfully submitted,



Erica J. Dobbs, Attorney #30588-49
Attorney, Enforcement Division

Indiana Department of Insurance
Enforcement Division
311 West Washington Street, Suite 103
Indianapolis, Indiana 46204-2787
Telephone: (317) 234-5887
Facsimile: (317) 232-5251

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing has been served upon the Respondents at the addresses listed below, by United States first class mail, postage prepaid, this 24th day of July, 2018.


Erica J. Dobbs #30588-49

Distribution:

Erica Dobbs
Indiana Department of Insurance
Enforcement Division
311 West Washington Street, Suite 103
Indianapolis, Indiana 46204-2787

Hammond National Company Inc.
PO Box 607
Hammond, IN 46320

John H Gescheidler
5248 Hohman Avenue
Hammond, IN 46320

Daniel Gescheidler
8968 Calhoun Place
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