

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER of INSURANCE

CAUSE NO.: 17109-AG18-0409-054

IN THE MATTER OF:)

Aaron Spontaneo)
AKA Aaron Lee Jackson)
DBA Matt Jackson, Inc.)
224 E. Sells Dr.)
Phoenix, AZ 85016)

Respondent.)

License Number: 3304435)

Type of Agency Action: Enforcement)

FILED

NOV 09 2018

STATE OF INDIANA
DEPT. OF INSURANCE

FINAL ORDER

On September 19, 2018, the Administrative Law Judge, Reuben B. Hill, filed his Findings of Fact, Conclusions of Law and Recommended Order in the above-captioned matter.

1. The Department served Findings of Fact, Conclusions of law, and Recommended Order on Respondent by mailing the same to his address of record.

2. The Department has complied with the notice requirements of Ind. Code §4-21.5-3-17.

3. Neither party has filed an objection with the Commissioner regarding the Administrative Law Judge's Findings of Fact, Conclusions of Law and Recommended Order, and more than eighteen (18) days have elapsed.

Therefore, the Commissioner of Insurance, being fully advised, now hereby adopts in full the Administrative Law Judge's Findings of Fact, Conclusions of Law, and Recommended Order and issues the following Final Order:

IT IS THEREFORE ORDERED by the Commissioner of Insurance:

1. Respondent's Independent Adjuster – Designated Home State license #3304435 be permanently revoked.

Under Ind. Code §4-21.5-5-5, Respondent has the right to appeal this Final Order by filing a petition for Judicial review in the appropriate court within thirty (30) days.

ALL OF WHICH IS ORDERED by the Commissioner this 9 day of November, 2018.


Stephen W. Robertson, Commissioner
Indiana Department of Insurance

Copies to:

Aaron Spontaneo
10177 Station Way, Apt. 451
Long Tree, Colorado 80124

Erica Dobbs, Attorney
Indiana Department of Insurance
311 W. Washington St., Suite 103
Indianapolis, IN 46204

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER of INSURANCE

CAUSE NO.: 17109-AG18-0409-054

IN THE MATTER OF:)
)
Aaron Spontaneo)
AKA Aaron Lee Jackson)
DBA Matt Jackson, Inc.)
224 E. Sells Dr.)
Phoenix, AZ 85016)
Respondent.)
License Number: 3304435)
Type of Agency Action: Enforcement)

FILED

OCT 26 2018

**STATE OF INDIANA
DEPT. OF INSURANCE**

2nd MOTION TO EXTEND EMERGENCY SUSPENSION

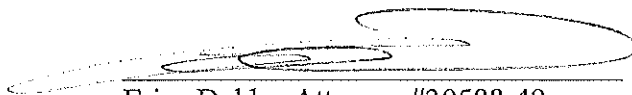
The Indiana Department of Insurance ("Department") moves pursuant to Indiana Code § 4-21.5-4-5 for an Order extending the emergency license suspension of Aaron Spontaneo ("Respondent"). As grounds for the extension, the Department states:

1. On April 13, 2018, the Commissioner entered Findings of Fact, Conclusions of Law, and Emergency Order ("Emergency Order") suspending Respondents' license for ninety (90) days, pursuant to Indiana Code § 4-21.5-4-2(a)(1).
2. Said suspension was extended on July 30, 2018 for an additional ninety (90) days.
3. Respondent's license was suspended due to allegations that Respondent has been acting in Arizona as a Public Adjuster, despite not being licensed as such in either Indiana or Arizona, as well as allegations that Respondent failed to disclose numerous pending felony charges from Colorado and a previously revoked contractor license from Arizona on his January 9, 2018 license application, in violation of Indiana Codes §§ 27-1-28-18(b)(8), 27-1-28-18(b)(2) and 27-1-28-18(b)(1).

4. The Enforcement Division filed a Statement of Charges seeking permanent revocation of Respondent's license and a hearing was held August 7, 2018.
5. The Administrative Law Judge filed his Findings of Fact, Conclusions of Law, and Recommended Order on September 19, 2018.
6. The Commissioner's Final Order is due November 18, 2018.
7. 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 an emergency suspension order for successive ninety (90) day periods.
8. It is in the best interest of the public that Respondent's emergency suspension continues until this matter can be resolved.

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,

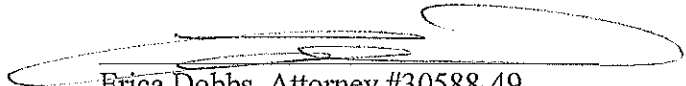


Erica Dobbs, Attorney #30588-49
Indiana Department of Insurance
311 West Washington Street, Suite 103
Indianapolis, Indiana 46204

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 this 20th day of October, 2018.

Aaron Spontaneo
224 E. Sells Dr.
Phoenix, AZ 85016



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.: 17109-AG18-0409-054

IN THE MATTER OF:)
)
Aaron Spontaneo)
AKA Aaron Lee Jackson)
DBA Matt Jackson, Inc.)
224 E. Sells Dr.)
Phoenix, AZ 85016)
)
Respondent.)
)
License Number: 3304435)
)
Type of Agency Action: Enforcement)


FILED

OCT 26 2018

STATE OF INDIANA
DEPT. OF INSURANCE

ORDER GRANTING 2nd 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 26 day of October, 2018.


Stephen W. Robertson, Commissioner
Indiana Department of Insurance

Distribution:

Aaron Spontaneo
10177 Station Way, Apt. 451
Lone Tree, Colorado 80124

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 NUMBER: 17109-AG18-0409-054

IN THE MATTER OF:

Aaron Spontaneo
AKA Aaron Lee Jackson
DBA Matt Jackson
224 E. Sells Drive
Phoenix, Arizona 85016

Respondent.

Type of Agency Action: Enforcement

License Number: 3304435

FILED

SEP 19 2018

STATE OF INDIANA
DEPT. OF INSURANCE

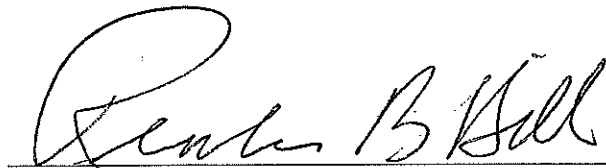
NOTICE OF FILING OF RECOMMENDED ORDER

The parties of this action are hereby notified that the Administrative Law Judge's
Recommended Order is deemed filed as of this date.

To preserve an objection to this order for judicial review, the Parties must object to the
order in a writing that: 1) Identifies the basis for the objection with reasonable particularity; and
2) Is filed with the ultimate authority for the Final Order, the Commissioner of the Department of
Insurance within eighteen (18) days from the date of this Order.

DATED: 9/19/18

:



Reuben B. Hill
Administrative Law Judge

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

IN THE MATTER OF:)
)
Aaron Spontaneo)
 AKA Aaron Lee Jackson)
 DBA Matt Jackson, Inc.)
224 E. Sells Drive)
Phoenix, Arizona 85016)
)
 Respondent.)
)
Type of Agency Action: Enforcement)
)
License Number: 3304435)

CAUSE NO.: 17109-AG18-0409-054

FILED

SEP 19 2018

STATE OF INDIANA
DEPT. OF INSURANCE

**FINDINGS OF FACT, CONCLUSIONS OF LAW
AND RECOMMENDED ORDER**

Administrative Law Judge Reuben B. Hill ("ALJ"), having heard, reviewed and considered all of the evidence, will now render a decision concerning the matter of Aaron Spontaneo ("Respondent"). This matter came on to be heard by the ALJ on August 7, 2018 at 12:00 p.m. at the Indiana Department of Insurance at 311 West Washington Street, Indianapolis, Indiana.

The Enforcement Division of the Indiana Department of Insurance (“Department”) was represented by counsel, Erica J. Dobbs. Respondent appeared via telephone and without counsel. Testimony was heard, and exhibits were received into evidence.

Based upon the evidence presented at said hearing, the ALJ now makes the following Findings of Fact, Conclusions of Law, and issues the Recommended Order.

FINDINGS OF FACT

1. On July 18, 2018, the Department filed its Statement of Charges against respondent, alleging three (3) violations of Indiana Code:
 - a. Respondent provided incorrect, misleading, incomplete, or materially untrue information in a license application, in violation of Indiana Code 27-1-28-18(b)(1).
 - b. Respondent violated another state’s insurance law, in violation of Indiana Code 27-1-28-18(b)(2).
 - c. Respondent used fraudulent, coercive, or dishonest practices, or demonstrated incompetence, untrustworthiness, or financial irresponsibility, in the conduct of insurance business, in violation of Indiana Code 27-1-28-18(b)(8).
2. Respondent applied for an Independent Adjuster license using Indiana as his Designated Home State on January 9, 2018.
3. Said license was granted by the Department on January 11, 2018.
4. An Independent Adjuster is “A person. . .that contracts with insurers or self-insurers to investigate, negotiate, or settle property, casualty, or worker’s compensation claims”.
(Indiana Code 27-1-28-6)

5. Some states do not license independent adjusters. In those instances, an individual may obtain an Independent Adjuster License through Indiana utilizing Indiana as his or her Designated Home State. (Indiana Code 27-1-28-5(2)(A))
6. On his application for Independent Adjuster License, Respondent listed Colorado as his domiciliary state. (Department's Exhibit 7)
7. Colorado does not license independent adjusters. Colorado does, however, license public adjusters.
8. A Public Adjuster is an 'individual or corporation who, or which, for compensation or reward, renders advice or assistance to the insured in the adjustment of a claim or claims for loss or damages under any policy of insurance covering real or personal property and any person or corporation who, or which, advertises, solicits business, or holds itself out to the public as an adjuster of such claims'. (Indiana Code 27-1-27-1)
9. Colorado's definition of Public Adjuster is nearly identical to Indiana's definition (Colorado Revised Statute 10-2-103 and 10-2-417)
10. There is no Designated Home State License option for public adjusters.
11. Respondent testified that he is currently working as an adjuster for automobile insurance claims in Colorado on behalf of consumers. (Hearing Transcript p.21)
12. Respondent testified he is not licensed as a public adjuster in Colorado. (Hearing Transcript p. 59)
13. On April 2, 2018, the Department received a complaint from Farmer's Insurance ("Farmer's") alleging that Respondent had contracted with a Farmer's insured to represent the insured in a claim he had filed.
14. The property to which the claim pertains is a residence in Arizona.

15. Respondent is the owner of Matt Jackson Inc. (Department's Exhibits 3 and 4)
16. Respondent originally incorporated Matt Jackson, Inc. in Colorado on April 11, 2017.
(Department's Exhibit 3)
17. Respondent reincorporated Matt Jackson, Inc. in Arizona on October 6, 2017.
Department's Exhibit 4)
18. Matt Jackson Inc., DBA Matt Jackson Adjusters Inc., entered into a "Letter of Representation" with the Farmer's insured in order to "advise and assist in the adjustment of the insurance claim arising from a loss by wind peril". The Letter of Representation is signed by Respondent and the Farmer's Insured and contemplates all insurance payments made by Farmer's pertaining to the loss will be made payable to and submitted to Matt Jackson Adjusters Inc. (Department's Exhibit 5)
19. The Letter of Representation bears Respondent's Indiana Independent Adjuster License number. (Department's Exhibit 5)
20. Respondent negotiated with Farmer's on behalf of their Insured, claiming he "was hired by an insured. . .to adjust this catastrophic claim". (Department's Exhibit 6)
21. Arizona defines "adjuster" as "Any person who for compensation, fee or commission. . . adjusts, investigates or negotiates settlement of claims arising under property and casualty insurance contracts on behalf of either the insurer or the insured". (Arizona Revised Statute 20-321)
22. Arizona requires anyone acting as or holding themselves out as an adjuster in the state to hold a license issued by the Arizona Department of Insurance. (Arizona Revised Statute 20-321.01)

23. The only exception to Arizona's adjuster licensing requirement is that an adjuster licensed in his or her home state may work as an adjuster in Arizona "if the adjuster is sent to Arizona on behalf of an insurer". (Arizona Revised 20-321.01(D))
24. Respondent testified he lived in Arizona at the time he applied for Indiana licensure and returned to Colorado in May. (Hearing Transcript p.60)
25. Respondent's address of record with the Department is an Arizona address.
26. Respondent testified that on April 6, 2018, he applied for an Arizona Resident Adjuster's License. That application was denied, and Respondent had a hearing on June 12, 2018 in which he requested the denial be overturned and he be granted a resident license. The denial was affirmed on June 28, 2018. (Hearing Transcript p. 60-61)
27. The information Farmer's provided to the Department with its complaint against Respondent included documentation of Respondent's criminal history and for licensure.
28. On Respondent's January 2018 license application, Respondent answered "no" to question 1B, which asks, "Have you ever been convicted of a felony, had a judgment withheld or deferred, or are you currently charged with committing a felony?" (Department's Exhibit 7)
29. On October 11, 2016, Respondent was indicted by a grand jury in the Douglas County, Colorado District Court on twenty-two (22) felony counts, including one (1) count of Racketeering and twenty-one (21) counts of Theft. (Department's Exhibit 8)
30. The charges allege that Respondent contracted with at least twenty (20) different Colorado homeowners to perform repair work on their homes. The homeowners paid Respondent in advance, and Respondent deposited the funds into a bank account. Withdrawals were then made from that account for personal expenses and other purposes

unrelated to the homeowner's repairs, and the work to which the contracts pertained was not completed. (Department's Exhibit 8)

31. Respondent testified that the charges against him are civil and, therefore, he did not answer question 1B incorrectly on his application for licensure. (Hearing Transcript p. 71)

32. Respondent further testified that the charges have been resolved. (Hearing Transcript p. 17)

33. These felony charges against Respondent are still pending, with Respondent currently set for jury trial on September 11, 2018. (Department's Exhibit 9)

34. On Respondent's January 2018 license application, Respondent answered 'no' to question 2, which asks, "Have you ever been named or involved as a party in an administrative proceeding. . . regarding any professional or occupational license or registration?"

35. On December 30, 2016, the Arizona Registrar of Contractors revoked Respondent's CR 42 Roofing Contractor license. (Department's Exhibit 10)

36. Respondent testified that his Arizona contractor license was revoked due to the criminal charges in Colorado. (Hearing Transcript p. 55)

37. Respondent testified that he wants to have an Indiana Independent Adjuster License because if he is "ever in Indiana, he would treat the people better than the insurance company adjuster treats them and actually give them more advice and more of a fair shot. . .at their claim with consulting". (Hearing Transcript p. 72)

38. Respondent did not present any exhibits or call any witnesses during the hearing.

39. At the hearing, the ALJ took judicial notice of the following statutes:

- a. Indiana Code 27-1-28-6
- b. Indiana Code 27-1-28-5
- c. Indiana Code 27-1-27-1
- d. Arizona Revised Statute 20-321
- e. Arizona Revised Statute 20-321-.01
- f. Colorado Revised Statute 10-2-103
- g. Colorado Revised Statute 10-2-417

40. Conclusion of Law that can be adopted as Findings of Fact are hereby incorporated herein as such.

CONCLUSIONS OF LAW

- 1. The Commissioner of the Indiana Department of Insurance ("Commissioner") has jurisdiction over both the subject matter and the parties to this action.
- 2. This hearing was held in compliance with the Administrative Orders and Procedures Act of the Indiana Code.
- 3. Indiana Code 27-1-18-18(b)(8) provides, in part, that the Commissioner may revoke an Independent Adjuster License for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility, in the conduct of insurance business.
- 4. Respondent holds an Independent Adjuster – Designated Home State license through Indiana.
- 5. An independent adjuster contracts to perform work on behalf of an insurance company.
- 6. Respondent is contracting to perform work on behalf of insured consumers, not on behalf of any company.

7. Respondent's work is that of a public adjuster.
8. There are separate licensing provisions for independent adjusters and public adjusters, and the two (2) kinds of adjusters serve opposing purposes.
9. Respondent does not hold a public adjuster license in any state.
10. Respondent's use of his Indiana Independent Adjuster license number on his public adjuster contract makes it appear as though he is licensed to serve consumers as a public adjuster when, in fact, he is not.
11. Respondent's conduct is a dishonest practice in violation of Indiana Code 27-1-28-18(b)(8).
12. Indiana Code 27-1-28-18(b)(2) provides, in part, that the Commissioner may revoke an Independent Adjuster License for violating an insurance law.
13. Arizona Revised Statute 20-321.01 is an insurance law that provides, in part, that a person shall not act as or claim to be an adjuster unless the person is duly licensed under Arizona law.
14. Respondent acted on at least one (1) occasion as a public adjuster in the State of Arizona.
15. Arizona law requires anyone acting as an adjuster in the state be licensed by the Arizona Department of Insurance, unless they are a Licensed Independent Adjuster sent to Arizona by an insurance to adjust certain claims on the company's behalf.
16. Respondent was not sent to Arizona by any insurance company.
17. By entering into public adjusting contracts with consumers and acting as an adjuster on their behalf in Arizona without holding an Arizona adjuster license or having been sent to Arizona by an insurance company, Respondent has violated Arizona insurance law.

18. Respondent continues to act as a public adjuster in Colorado despite not being licensed as such in Colorado.
19. Colorado Revised Statute 10-2-417 is an insurance law that provides, in part, that a person shall not act or hold himself or herself out as a public adjuster in Colorado unless the person is licensed as a public adjuster by the Colorado Division of Insurance.
20. By acting as a public adjuster in Colorado without a Colorado Public Adjuster license, Respondent is violating Colorado insurance law.
21. Indiana Code 27-1-28-18(b)(1) provides, in part, that the Commissioner may revoke an Independent Adjuster License for providing incorrect, misleading, incomplete, or materially untrue information in a license application.
22. Respondent failed to disclose twenty-two (22) felony charges pending against him in Colorado on his application for Indiana licensure.
23. Respondent failed to disclose a prior contractor license revocation in Arizona on his application for Indiana licensure.
24. It is reasonable for the Commissioner to consider an individual's criminal history and prior administrative actions in deciding whether to grant the individual licensure.
25. When such information is not properly disclosed on a licensing application it is reasonable for the Commissioner to consider it after the fact in determining whether to revoke a license.
26. Indiana Code 4-21.5-3-14(c) states that the person requesting an agency take action has the burden of persuasion and the burden of going forward. The Department is requesting that the Commissioner permanently revoke Respondent's Independent Adjuster – Designated Home State License.

27. The Department has met its burden of showing Respondent violated Indiana Code 27-1-28-18(b)(8) and 27-1-28-18(b)(1), as well as violating Arizona and Colorado insurance laws, implicating Indiana Code 27-1-28-18(b)(2).

28. Respondent's Independent Adjuster – Designated Home State License should be revoked.

29. Findings of Fact that can be adopted as Conclusions of Law are hereby incorporated herein as such.

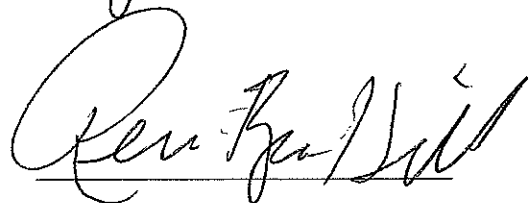
RECOMMENDED ORDER

IT IS THEREFORE RECOMMENDED:

In consideration of the foregoing Findings of Fact and the Conclusions of Law as stated, the Administrative Law Judge now recommends to the **Commissioner of Insurance** the following:

That Respondent's Independent Adjuster – Designated Home State License #3304435 be permanently **REVOKED**, effective the date the Final Order is issued.

ALL OF WHICH IS ADOPTED by the Administrative Law Judge and recommended to the **Commissioner of Insurance** this 19th day of Sept, 2018



Reuben B. Hill, Esq.
Administrative Law Judge

Distribution:

Aaron Spontaneo
10177 Station Way, Apt. 451
Long Tree, Colorado 80124

Erica J. Dobbs, Attorney
Indiana Department of Insurance
311 W. Washington St., Suite 103
Indianapolis, Indiana 46204

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER of INSURANCE

CAUSE NO.: 17109-AG18-0409-054

IN THE MATTER OF:)
)
Aaron Spontaneo)
AKA Aaron Lee Jackson)
DBA Matt Jackson, Inc.)
224 E. Sells Dr.)
Phoenix, AZ 85016)
)
Respondent.)
)
License Number: 3304435)
)
Type of Agency Action: Enforcement)

FILED

SEP 06 2018

STATE OF INDIANA
DEPT. OF INSURANCE

**PROPOSED FINDINGS OF FACT, CONCLUSIONS OF LAW
AND RECOMMENDED ORDER**

Administrative Law Judge ("ALJ") Reuben Hill, having considered and reviewed all of the evidence, will now render a decision in the matter of Aaron Spontaneo ("Respondent"). This matter came to be heard by the ALJ on August 7, 2018 at 12:00 p.m. at the Indiana Department of Insurance, 311 West Washington Street, Indianapolis, Indiana.

The Enforcement Division of the Indiana Department of Insurance ("Department") was represented by counsel, Erica J. Dobbs. Respondent appeared via telephone and without counsel. Testimony was heard, and exhibits were received into evidence.

Based upon the evidence presented at said hearing, the ALJ now makes the following Findings of Fact, Conclusions of Law, and issues his Recommended Order.

FINDINGS OF FACT

1. On July 18, 2018, the Department filed its Statement of Charges against Respondent, alleging three (3) violations of Indiana Code:

- a. Respondent provided incorrect, misleading, incomplete, or materially untrue information in a license application, in violation of Indiana Code § 27-1-28-18(b)(1).
- b. Respondent violated another state's insurance law, in violation of Indiana Code § 27-1-28-18(b)(2).
- c. Respondent used fraudulent, coercive, or dishonest practices, or demonstrated incompetence, untrustworthiness, or financial irresponsibility, in the conduct of insurance business, in violation of Indiana Code § 27-1-28-18(b)(8).

2. Respondent applied for an Independent Adjuster license using Indiana as his Designated Home State on January 9, 2018.

3. Said license was granted by the Department on January 11, 2018.

4. An Independent Adjuster is "A person...that contracts with insurers or self-insurers to investigate, negotiate, or settle property, casualty, or worker's compensation claims." (Indiana Code § 27-1-28-6)

5. Some states do not license independent adjusters. In those instances, an individual may obtain an Independent Adjuster License through Indiana utilizing Indiana as his or her Designated Home State. (Indiana Code § 27-1-28-5(2)(A))

6. On his application for Independent Adjuster licensure, Respondent listed Colorado as his domiciliary state. (Department's Exhibit 7)

7. Colorado does not license independent adjusters. Colorado does, however, license public adjusters.

8. A Public Adjuster is an "individual or corporation who, or which, for compensation or reward, renders advice or assistance to the insured in the adjustment of a claim or claims for loss or damages under any policy of insurance covering real or personal property and any person or corporation who, or which, advertises, solicits business, or holds itself out to the public as an adjuster of such claims." (Indiana Code § 27-1-27-1)

9. Colorado's definition of Public Adjuster is nearly identical to Indiana's definition. (Colorado Revised Statute §§ 10-2-103 and 10-2-417)

10. There is no Designated Home State licensure option for public adjusters.

11. Respondent testified that he is currently working as an adjuster for automobile insurance claims in Colorado on behalf of consumers. (Hearing Transcript p. 21)

12. Respondent testified he is not licensed as a public adjuster in Colorado. (Hearing Transcript p.59)

13. On April 2, 2018, the Department received a complaint from Farmer's Insurance ("Farmer's") alleging that Respondent had contracted with a Farmer's insured to represent the insured in a claim he had filed.

14. The property to which the claim pertains is a residence in Arizona.

15. Respondent is the owner of Matt Jackson Inc. (Department's Exhibits 3 and 4)

16. Respondent originally incorporated Matt Jackson, Inc. in Colorado on April 11, 2017. (Department's Exhibit 3)

17. Respondent reincorporated Matt Jackson, Inc. in Arizona on October 6, 2017. (Department's Exhibit 4)

18. Matt Jackson Inc., DBA Matt Jackson Adjusters Inc. entered into a "Letter of Representation" with the Farmer's insured in order to "advise and assist in the adjustment of the insurance claim arising from a loss by wind peril." The Letter of Representation is signed by Respondent and the Farmer's Insured and contemplates all insurance payments made by Farmer's pertaining to the loss will be made payable to and submitted to Matt Jackson Adjusters Inc. (Department's Exhibit 5)

19. The Letter of Representation bears Respondent's Indiana Independent Adjuster license number. (Department's Exhibit 5)

20. Respondent negotiated with Farmer's on behalf of their Insured, claiming he "was hired by an insured...to adjust this cat claim." (Department's Exhibit 6)

21. Arizona defines "adjuster" as "Any person who for compensation, fee or commission...adjusts, investigates or negotiates settlement of claims arising under property and casualty insurance contracts on behalf of either the insurer or the insured." (Arizona Revised Statute § 20-321)

22. Arizona requires anyone acting as or holding themselves out as an adjuster in the state to hold a license issued by the Arizona Department of Insurance. (Arizona Revised Statute § 20-321.01)

23. The only exception to Arizona's adjuster licensing requirement is that an adjuster licensed in his or her home state may work as an adjuster in Arizona "if the adjuster is sent to [Arizona] on behalf of an insurer." (Arizona Revised Statute § 20-321.01(D))

24. Respondent testified he lived in Arizona at the time he applied for Indiana licensure and returned to Colorado in May. (Hearing Transcript p.60)

25. Respondent's address of record with the Department is an Arizona address.

26. Respondent testified that on April 6, 2018, he applied for an Arizona resident adjuster's license. That application was denied, and Respondent had a hearing on June 12, 2018 in which he requested the denial be overturned and he be granted a resident license. The denial was affirmed on June 28, 2018. (Hearing Transcript p.60-61)

27. The information Farmer's provided to the Department with its complaint against Respondent included documentation of Respondent's criminal history and former licensure.

28. On Respondent's January 2018 license application, Respondent answered "no" to question 1B, which asks, "Have you ever been convicted of a felony, had a judgment withheld or deferred, or are you currently charged with committing a felony?" (Department's Exhibit 7)

29. On October 11, 2016, Respondent was indicted by a grand jury in the Douglas County, Colorado District Court on twenty-two (22) felony counts, including one (1) count of Racketeering and twenty-one (21) counts of Theft. (Department's Exhibit 8)

30. The charges allege that Respondent contracted with at least twenty (20) different Colorado homeowners to perform repair work on their homes. The homeowners paid Respondent in advance, and Respondent deposited the funds into a bank account. Withdrawals were then made from that account for personal expenses and other purposes unrelated to the homeowners' repairs, and the work to which the contracts pertained was not completed. (Department's Exhibit 8)

31. Respondent testified that the charges against him are civil and, therefore, he did not answer question 1B incorrectly on his application for licensure. (Hearing Transcript p.71)

32. Respondent further testified that the charges are resolved. (Hearing Transcript p.17)

33. These felony charges against Respondent are still pending, with Respondent currently set for jury trial on September 11, 2018. (Department's Exhibit 9)

34. On Respondent's January 2018 license application, Respondent answered "no" to question 2, which asks, "Have you ever been named or involved as a party in an administrative proceeding...regarding any professional or occupational license or registration?"

35. On December 30, 2016, the Arizona Registrar of Contractors revoked Respondent's CR42 Roofing Contractor license. (Department's Exhibit 10)

36. Respondent testified that his Arizona contractor license was revoked due to the criminal charges in Colorado. (Hearing Transcript p.55)

37. Respondent testified that he wants to have an Indiana Independent Adjuster license because if he is "ever in Indiana, [he] would treat the people better than the insurance company adjuster treats them and actually give them actual more advice and more of a fair shot...at their claim with consulting." (Hearing Transcript p.72)

38. Respondent did not present any exhibits or call any witnesses during the hearing.

39. At the hearing, the ALJ took judicial notice of the following statutes:

- a. Indiana Code § 27-1-28-6
- b. Indiana Code § 27-1-28-5
- c. Indiana Code § 27-1-27-1
- d. Arizona Revised Statute § 20-321
- e. Arizona Revised Statute § 20-321.01
- f. Colorado Revised Statute § 10-2-103
- g. Colorado Revised Statute § 10-2-417

40. Conclusions of Law that can be adopted as Findings of Fact are hereby incorporated herein as such.

CONCLUSIONS OF LAW

1. The Commissioner of the Indiana Department of Insurance (“Commissioner”) has jurisdiction over both the subject matter and the parties to this action.

2. This hearing was held in compliance with the Administrative Orders and Procedures Act of the Indiana Code.

3. Indiana Code § 27-1-18-18(b)(8) provides, in part, that the Commissioner may revoke an independent adjuster license for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility, in the conduct of insurance business.

4. Respondent holds an Independent Adjuster – Designated Home State license through Indiana.

5. An independent adjuster contracts to perform work on behalf of an insurance company.

6. Respondent is contracting to perform work on behalf of insured consumers, not on behalf of any company.

7. Respondent’s work is that of a public adjuster.

8. There are separate licensing provisions for independent adjusters and public adjusters, and the two kinds of adjusters serve opposing purposes.

9. Respondent does not hold a public adjuster license in any state.

10. Respondent's use of his Indiana Independent Adjuster license number on his public adjuster contract makes it appear as though he is licensed to serve consumers as a public adjuster when, in fact, he is not.

11. Respondent's conduct is a dishonest practice in violation of Indiana Code § 27-1-28-18(b)(8).

12. Indiana Code § 27-1-28-18(b)(2) provides, in part, that the Commissioner may revoke an independent adjuster license for violating an insurance law.

13. Arizona Revised Statute § 20-321.01 is an insurance law that provides, in part, that a person shall not act as or claim to be an adjuster unless the person is duly licensed under Arizona law.

14. Respondent acted on at least one occasion as a public adjuster in the State of Arizona.

15. Arizona law requires anyone acting as an adjuster in the state be licensed by the Arizona Department of Insurance, unless they are a licensed independent adjuster sent to Arizona by an insurance company to adjust certain claims on the company's behalf.

16. Respondent was not sent to Arizona by any insurance company.

17. By entering into public adjusting contracts with consumers and acting as an adjuster on their behalf in Arizona without holding an Arizona adjuster license or having been sent to Arizona by an insurance company, Respondent has violated Arizona insurance law.

18. Respondent continues to act as a public adjuster in Colorado despite not being licensed as such in Colorado.

19. Colorado Revised Statute § 10-2-417 is an insurance law that provides, in part, that a person shall not act or hold himself or herself out as a public adjuster in Colorado unless the person is licensed as a public adjuster by the Colorado Division of Insurance.

20. By acting as a public adjuster in Colorado without a Colorado Public Adjuster license, Respondent is violating Colorado insurance law.

21. Indiana Code § 27-1-28-18(b)(1) provides, in part, that the Commissioner may revoke an independent adjuster license for providing incorrect, misleading, incomplete, or materially untrue information in a license application.

22. Respondent failed to disclose twenty-two (22) felony charges pending against him in Colorado on his application for Indiana licensure.

23. Respondent failed to disclose a prior contractor license revocation in Arizona on his application for Indiana licensure.

24. It is reasonable for the Commissioner to consider an individual's criminal history and prior administrative actions in deciding whether to grant the individual licensure.

25. When such information is not properly disclosed on a licensing application it is reasonable for the Commissioner to consider it after the fact in determining whether to revoke a license.

26. Indiana Code § 4-21.5-3-14(c) states that the person requesting an agency take action has the burden of persuasion and the burden of going forward. The Department is requesting that the Commissioner permanently revoke Respondent's Independent Adjuster – Designated Home State license.

27. The Department has met its burden of showing Respondent violated Indiana Code §§ 27-1-28-18(b)(8) and 27-1-28-18(b)(1), as well as violating Arizona and Colorado insurance laws, implicating Indiana Code § 27-1-28-18(b)(2).

28. Respondent's Independent Adjuster – Designated Home State license should be revoked.

29. Findings of Fact that can be adopted as Conclusions of Law are hereby incorporated herein as such.

RECOMMENDED ORDER

In consideration of the Findings of Fact and the Conclusions of Law as stated, the Administrative Law Judge now recommends to the Commissioner the following:

1. That Respondent's Independent Adjuster – Designated Home State license #3304435 be permanently revoked, effective the date the Final Order is issued.

ALL OF WHICH IS ADOPTED by the Administrative Law Judge and recommended to the Commissioner this _____ day of _____, 2018.

Reuben Hill
Administrative Law Judge

Distribution:

Aaron Spontaneo
10177 Station Way, Apt. 451
Long Tree, Colorado 80124

Erica J. Dobbs, Attorney
Indiana Department of Insurance
311 W. Washington St., Suite 103
Indianapolis, IN 46204

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER of INSURANCE

CAUSE NO.: 17109-AG18-0409-054

IN THE MATTER OF:)
)
Aaron Spontaneo)
AKA Aaron Lee Jackson)
DBA Matt Jackson, Inc.)
2224 E. Sells Dr.)
Phoenix, AZ 85016)
Respondent.)
License Number: 3304435)
Type of Agency Action: Enforcement)

FILED

JUL 30 2018

STATE OF INDIANA
DEPT. OF INSURANCE

ORDER GRANTING 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 30 day of July, 2018.


Stephen W. Robertson, Commissioner
Indiana Department of Insurance

Distribution:

Aaron Spontaneo
2224 E. Sells Dr.
Phoenix, AZ 85016

Erica Dobbs
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.: 17109-AG18-0409-054

IN THE MATTER OF:)
)
Aaron Spontaneo)
AKA Aaron Lee Jackson)
DBA Matt Jackson, Inc.)
2224 E. Sells Dr.)
Phoenix, AZ 85016)
Respondent.)
License Number: 3304435)
Type of Agency Action: Enforcement)

FILED

JUL 30 2018

STATE OF INDIANA
DEPT. OF INSURANCE

MOTION TO EXTEND EMERGENCY SUSPENSION

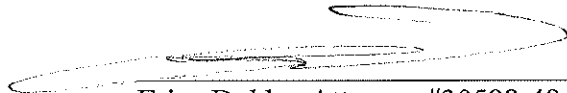
The Indiana Department of Insurance ("Department") moves pursuant to Indiana Code § 4-21.5-4-5 for an Order extending the emergency license suspension of Aaron Spontaneo ("Respondent"). As grounds for the extension, the Department states:

1. On April 13, 2018, the Commissioner entered Findings of Fact, Conclusions of Law, and Emergency Order ("Emergency Order") suspending Respondents' license for ninety (90) days, pursuant to Indiana Code § 4-21.5-4-2(a)(1).
2. Respondent's license was suspended due to allegations that Respondent has been acting in Arizona as a Public Adjuster, despite not being licensed as such in either Indiana or Arizona, as well as allegations that Respondent failed to disclose numerous pending felony charges from Colorado and a previously revoked contractor license from Arizona on his January 9, 2018 license application, in violation of Indiana Codes §§ 27-1-28-18(b)(8), 27-1-28-18(b)(2) and 27-1-28-18(b)(1).

3. The Enforcement Division has filed a Statement of Charges and requested a hearing to be set in due course.
4. 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 an emergency suspension order for successive ninety (90) day periods.
5. It is in the best interest of the public that Respondent's emergency suspension continues until this matter can be resolved.
6. The Department has contacted counsel for the Respondent, and Respondent opposes 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 this 18th day of July, 2018.

Aaron Spontaneo
2224 E. Sells Dr.
Phoenix, AZ 85016


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.: 17109-AG18-0409-054

IN THE MATTER OF:)
)
Aaron Spontaneo)
AKA Aaron Lee Jackson)
DBA Matt Jackson, Inc.)
2224 E. Sells Dr.)
Phoenix, AZ 85016)
Respondent.)
License Number: 3304435)
Type of Agency Action: Enforcement)

FILED

JUL 18 2018

STATE OF INDIANA
DEPT. OF INSURANCE

NOTICE OF HEARING

Notice is hereby given, pursuant to Indiana Code § 4-21.5-3 *et seq.*, that an evidentiary hearing will be held on August 7, 2018, at 12:00 Eastern Time at 311 West Washington Street, Suite 103, Indianapolis, Indiana 46204-2787, to determine whether the Indiana Department of Insurance is entitled to the relief requested in its Statement of Charges.

The hearing will be conducted in accordance with the provisions of the Administrative Orders and Procedures Act, codified at Indiana Code § 4-21.5-3 *et seq.* The Commissioner's authority regarding agent licensing is contained in Indiana Code § 27-1-15.6-12(b).

The issues to be resolved at the hearing are those described in the Statement of Charges filed the same date as this Notice.

The Indiana Department of Insurance asserts that Respondent has violated Indiana Code § 27-1-28-18(b)(8), by using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility, in the conduct of business in Indiana or elsewhere; Indiana Code § 27-1-28-18(b)(2), by violating an insurance law; and

Indiana code § 27-1-28-18(b)(1), by providing incorrect, misleading, incomplete, or materially untrue information in a license application.

In accordance with Indiana Code § 27-1-15.6-34, the Administrative Law Judge in this matter is:

Reuben B. Hill

Indiana Department of Insurance
311 West Washington Street, Suite 103
Indianapolis, Indiana 46204-2787
Telephone: (317) 232-2387

The Department of Insurance will be represented by its counsel, Erica J. Dobbs, who can be reached at:

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

A party who fails to attend or participate in a pre-hearing conference, hearing or other later stage of the proceeding, may be held in default or have a proceeding dismissed under Indiana Code Section 4-21.5-3-24.

Dated: 7/18/18

Reuben B. Hill

Administrative Law Judge
Indiana Department of Insurance

Distribution:

Erica J. Dobbs, Attorney
ATTN: Melissa Higgins, Sr. Insurance Investigator
Indiana Department of Insurance
311 W. Washington St., Suite 103
Indianapolis, IN 46204-2787

Aaron Spontaneo
2224 E. Sells Dr.
Phoenix, AZ 85016

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER of INSURANCE

CAUSE NO.: 17109-AG18-0409-054

IN THE MATTER OF:)

Aaron Spontaneo)
AKA Aaron Lee Jackson)
DBA Matt Jackson, Inc.)
2224 E. Sells Dr.)
Phoenix, AZ 85016)

Respondent.)

License Number: 3304435)

Type of Agency Action: Enforcement)

FILED

JUL 18 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.* and Indiana Code § 27-1-15.6-12, files its Statement of Charges against Aaron Spontaneo ("Respondent"), as follows:

FACTS

1. Respondent is a licensed Independent Adjuster utilizing Indiana as his designated home state, holding license number 3304435 since January 11, 2018.
2. Respondent is a resident of Arizona.
3. On or about April 2, 2018, the Department received a complaint from Farmers Insurance Group ("Farmers") that Respondent, DBA Matt Jackson Adjusters, is acting as a Public Adjuster. Respondent is not licensed as such in either Indiana or Arizona.
4. Farmers submitted evidence that an insured has signed a July 16, 2017 Letter of Representation with Respondent stating, in part, "This is to certify that Matt Jackson Inc.

Dba Matt Jackson Adjusters Inc. (MJA) and their representatives, are hereby retained to advise and assist in the adjustment of the insurance claim arising from a loss.” The Letter of Representation specifically references Respondent’s Indiana Independent Adjuster license number 3304435.

5. In the course of its investigation, the Department learned of a criminal case pending against Respondent in Colorado for twenty-two (22) counts of Racketeering and Theft, filed October 11, 2016.
6. Respondent failed to disclose the pending felony charges in Colorado on his application for licensure submitted to the Department on January 9, 2018.
7. The Department has further learned that Respondent was previously a licensed roofing contractor in Arizona holding license number 303031. Said license was revoked on December 30, 2016.
8. Respondent failed to report this prior license revocation on his application for licensure submitted to the Department on January 9, 2018.

CHARGES

COUNT I

1. Averments 1 through 8 are incorporated fully herein by reference.
2. Respondent’s conduct is a violation of Indiana Code § 27-1-28-18(b)(8), which provides, in part, that the Commissioner may revoke an independent adjuster license for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility, in the conduct of insurance business.

COUNT II

1. Averments 1 through 4 are incorporated fully herein by reference.

2. Respondent's conduct is a violation of Indiana Code § 27-1-28-18(b)(2) which provides, in part, that the Commissioner may revoke an independent adjuster license for violating an insurance law. Arizona Revised Statutes § 20-321.01 is an insurance law that provides, in part, that a person shall not act as or claim to be an adjuster unless the person is duly licensed.


COUNT III

1. Averments 1 and 5 through 8 are incorporated fully herein by reference.
2. Respondent's conduct is a violation of Indiana Code § 27-1-28-18(b)(1) which provides, in part, that the Commissioner may revoke an independent adjuster license for providing incorrect, misleading, incomplete, or materially untrue information in a license application.

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 and:

1. Issue an order permanently revoking Respondent's independent adjuster's license; and
2. All other relief just and proper upon the premises.

Respectfully submitted,



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

Indiana Department of Insurance
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 following Respondent by
United States first class mail, postage prepaid, this 18th day of July, 2018.

Aaron Spontaneo
2224 E. Sells Dr
Phoenix, AZ 85016



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

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NO: 17109-AG18-0409-054

IN THE MATTER OF:)
)
Aaron Spontaneo)
 AKA Aaron Lee Jackson)
 DBA Matt Jackson, Inc.)
2224 E. Sells Dr)
Phoenix, AZ 85016)
)
 Respondent.)
)
License Number: 3304435)
)
Type of Agency Action: Enforcement)

FILED

APR 13 2018

**STATE OF INDIANA
DEPT. OF INSURANCE**

**FINDINGS OF FACT, CONCLUSIONS OF LAW,
AND EMERGENCY ORDER**

The Commissioner of the Indiana Department of Insurance ("Commissioner"), being duly advised, now issues the following Findings of Fact, Conclusions of Law, and Emergency Order:

1. Aaron Spontaneo ("Respondent") is a licensed Independent Adjuster utilizing Indiana as his designated home state, holding license number 3304435 since January 11, 2018.
2. Respondent is a resident of Arizona.
3. On or about April 2, 2018, the Indiana Department of Insurance ("Department") received a complaint from Farmers Insurance Group ("Farmers") that Respondent, DBA Matt Jackson Adjusters, is acting as a Public Adjuster. Respondent is not licensed as such in either Indiana or Arizona.
4. Farmers submitted evidence that an insured has signed a July 16, 2017 Letter of Representation with Respondent stating, in part, "This is to certify that Matt Jackson Inc. Db

Matt Jackson Adjusters Inc. (MJA) and their representatives, are hereby retained to advise and assist in the adjustment of the insurance claim arising from a loss.” The Letter of Representation specifically references Respondent’s license number 3304435.

5. Farmers also provided information to the Department regarding a criminal case pending against Respondent in Colorado for twenty-two (22) counts of Racketeering and Theft, filed October 11, 2016.

6. On Respondent’s application for licensure submitted to the Department on January 9, 2018, Respondent failed to disclose the pending felony charges in Colorado.

7. Farmers further provided evidence to the Department that Respondent was previously a licensed roofing contractor in Arizona holding license number 303031. Said license was revoked on December 30, 2016.

8. On Respondent’s application for licensure submitted to the Department on January 9, 2018, Respondent failed to report this prior license revocation.

CONCLUSIONS OF LAW

1. Indiana Code § 27-1-28-18(b)(1) provides, in part, that the Commissioner may suspend, revoke, or refuse to issue an independent adjuster license, for providing incorrect, misleading, incomplete, or materially untrue information in a license application. Respondent failed to disclose pending felony charges and a prior license revocation on his application for licensure submitted to the Department on January 9, 2018.

2. Indiana Code § 27-1-28-18(b)(2) provides, in part, that the Commissioner may suspend, revoke, or refuse to issue an independent adjuster license, for violating an insurance law. Arizona Revised Statutes § 20-321.01 is an insurance law that provides, in part, that a

person shall not act as or claim to be an adjuster unless the person is licensed under this article. Respondent's is holding himself out to be a Public Adjuster in the State of Arizona without being duly licensed as such.

3. Indiana Code § 27-1-28-18(b)(8) provides, in part, that the Commissioner may suspend, revoke, or refuse to issue an independent adjuster license, for using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility, in the conduct of insurance business. Respondent is holding himself out to consumers as a licensed Public Adjuster, citing his Indiana Independent Adjuster license number.

4. Based on the serious financial risk to consumers, an emergency exists such that an emergency order is appropriate under Indiana Code § 4-21.5-4-1.

5. This Emergency Order is issued pursuant to Indiana Code § 4-21.5-4-2(a)(1).

6. Findings of Fact that can be adopted as Conclusions of Law are hereby incorporated herein as such.

ORDER

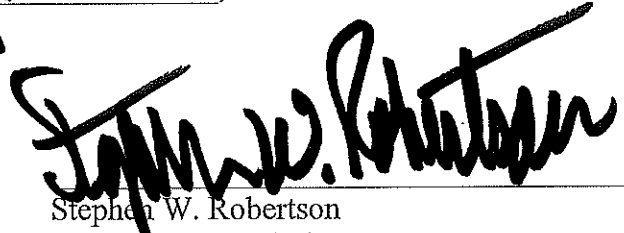
With the Findings of Fact and Conclusions of Law as stated above, the Commissioner now orders:

1. Aaron Spontaneo's Independent Adjuster license number 3304435 is hereby immediately suspended for ninety (90) days, renewable as necessary per Indiana Code § 4-21.5-4-5.

Under Ind. Code § 4-21.5-4-3, this Emergency Order is effective when issued. **Respondent has the right to request a hearing on this Emergency Order by filing a request**

for a hearing with the Department, and if requested, an evidentiary hearing will be set on the matter as soon as practicable.

SO ORDERED this 13 day of April, 2018.


Stephen W. Robertson
Insurance Commissioner

Distribution to:

Erica J. Dobbs, Attorney
ATTN: Melissa Higgins, Sr. Insurance Investigator
Indiana Department of Insurance
311 West Washington St., Suite 103
Indianapolis, IN 46204-2787