

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER of INSURANCE

CAUSE NO: 17391-AG19-0103-001

IN THE MATTER OF:)
)
Adrian Chestnut)
237 Birchwood Ave.)
Cuyahoga Falls, OH 44221)
)
Respondent.)
)
License Number: 3317281)
)
Type of Agency Action: Enforcement)

FILED

AUG 16 2019

STATE OF INDIANA
DEPT. OF INSURANCE

FINAL ORDER

On June 20, 2019, 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.

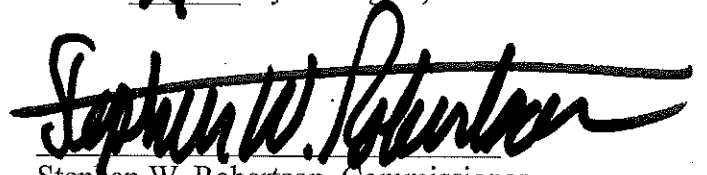
Therefore, the Commissioner of Insurance, being fully advised, now hereby adopts in full the Administrative Law Judge's Findings of Fact, Conclusions of Law, and Recommended Order and issues the following Final Order:

IT IS THEREFORE ORDERED by the Commissioner of Insurance:

1. Respondent's nonresident producer's license #3317281 is 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 16 day of August, 2019.

A handwritten signature in black ink, appearing to read "Stephen W. Robertson", written over a horizontal line.

Stephen W. Robertson, Commissioner
Indiana Department of Insurance

Copies to:

Adrian Chestnut
237 Birchwood Ave.
Cuyahoga Falls, OH 44221

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

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IN THE MATTER OF:)

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JUN 20 2019

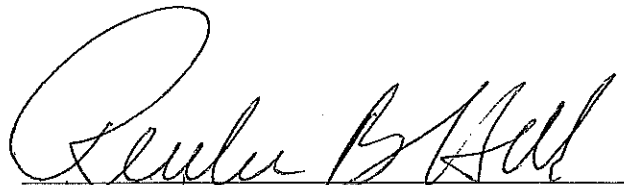
STATE OF INDIANA
DEPT. OF INSURANCE

NOTICE OF FILING OF RECOMMENDED ORDER

The parties of this action are hereby notified that the Administrative Law Judge's Recommended Order is 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: 6-20-19



Reuben B. Hill
Administrative Law Judge

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**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, now renders a decision concerning the matter of Adrian Chestnut (“Respondent”). This matter came on to be heard by the ALJ on May 1, 2019 at 11:00 a.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 Dobbs. Respondent failed to appear. 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 Default Order.

FINDINGS OF FACT

1. Respondent has been a licensed Non-Resident Insurance Producer since February 27, 2018.
2. Respondent was terminated for cause from Northwestern Mutual Insurance Company (“Northwestern Mutual”) on June 12, 2018. (Department’s Exhibit 1)
3. Northwestern Mutual discovered “signature irregularities” on two (2) Proof of Delivery Acknowledgement (“PDA”) forms submitted by Respondent on June 7, 2018. (Department’s Exhibit 2)
4. In each instance, the signature appearing on the PDA did not match the policyholder’s signature as it appeared on other policy documents. (Department’s Exhibits 2 through 6)
5. Northwestern Mutual confirmed with the two (2) affected policyholders that neither had signed the forms. (Department’s Exhibit 2)
6. Respondent admitted to Northwestern Mutual investigators that he had signed both PDA forms on behalf of the policyholders. (Department’s Exhibit 2)
7. If the PDA forms had not been signed and returned to the company by June 8, 2018, the policies would be lapsed and the premium would be refunded. (Hearing Transcript p. 21-22)
8. Respondent was notified of his May 1, 2019 hearing date via email at the email address previously used by Respondent to communicate with the Department. (Hearing Transcript p. 9-10)

9. Respondent did not appear or provide a phone number at which he could be reached for the hearing. (Hearing Transcript p. 10)
10. A Default Hearing was held.
11. 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 27-1-15.6-12(b) states, in part, that the Commissioner may permanently revoke and Insurance Producer License, due to a number of factors.
4. Indiana Code 27-1-15.6-12(b)(10) specifically allows the Commissioner to permanently revoke an Insurance Producer License and for forging another’s name to an application for insurance or to any document related to an insurance transaction. Indiana Code 27-1-15.6-12(b)(8) allows the Commissioner to 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.
5. Respondent forged two (2) consumer’s signatures to the Policy Delivery Acknowledgement forms for their disability insurance policies and submitted them to the company to avoid the policies being cancelled and the premiums refunded.

6. Indiana Code 4-21.5-3-14 © 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 Resident Producer License.
7. The Department has met its burden of showing Respondent violated Indiana Codes 27-1-15.6-12(b)(10) and 27-1-15.6-12(b)(8), and that Respondent's Non-Resident Producer License should be revoked.
8. Indiana Code 4-21.5-3-24 states, in part, that if a party fails to attend or participate in a hearing, the administrative law judge may serve upon all parties written notice of a proposed Default Order, including a statement of the grounds. Within seven (7) days after service of a proposed Default Order, Respondent may file a written motion requesting the Proposed Default Order not be imposed and stating the grounds relied upon.
9. Findings of Fact that can be adopted as Conclusions of Law are hereby incorporated herein as such.

RECOMMENDED ORDER

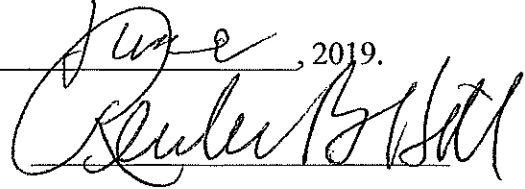
IT IS THEREFORE RECOMMENDED:

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 Non-Resident Producer License #3317281 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 20th day of June, 2019.



Reuben B. Hill, Esq.
Administrative Law Judge

Distribution:

Adrian Chestnut
237 Birchwood Ave.
Cuyahoga Falls, OH 44221

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

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 FEB 18 2019
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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 § 4-21.5-1 *et seq.*, files its Statement of Charges against Adrian Chestnut (“Respondent”) as follows:

FACTS

1. Adrian Chestnut (“Respondent”) is a licensed nonresident insurance producer, holding license number 3317281 since February 27, 2018.
2. On July 9, 2018, the Department was notified by insurance carrier Northwestern Mutual (“Northwestern”) that Respondent had been terminated for cause for signing clients’ names to insurance policy documents.
3. Specifically, Respondent signed Policy Delivery Acknowledgement (“PDA”) forms for two (2) clients.
4. If the PDA forms had not been received by the company by June 8, 2018, the policies would have lapsed out of force and premiums refunded.

5. Both PDAs purport to have been signed by the clients on June 7, 2018.
6. Both clients confirmed to Northwestern on June 8, 2018 that they had not recently signed any documents for their policies.
7. When confronted on June 12, 2018, Respondent admitted to Northwestern personnel that he had signed the PDAs.

CHARGES

COUNT 1

1. Averments 1 through 7 are incorporated fully herein by reference.
2. Respondent's conduct is in violation of Indiana Code § 27-1-15.6-12(b)(10) which provides, in part, that the Commissioner may permanently revoke an insurance producer's license for forging another's name to an application for insurance or to any document related to an insurance transaction.


COUNT 2

1. Averments 1 through 7 are incorporated fully herein by reference.
2. Respondent's conduct is in violation of Indiana Code § 27-1-15.6-12(b)(8), which provides, in part, that the Commissioner may permanently revoke an insurance producer's 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, 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 insurance producer license;
2. All other relief just and proper in the premises.

Respectfully submitted,



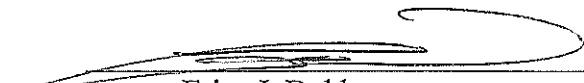
Erica J. Dobbs, #30588-49
Attorney, Enforcement Division

Erica J. Dobbs
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 following Respondent by United States first class mail, postage prepaid, the same day as filing.

Adrian Chestnut
237 Birchwood Ave.
Cuyahoga Falls, OH 44221



Erica J. Dobbs