

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NO: 17544-AD20-0722-102

IN THE MATTER OF:)
)
David N. Knuth)
7418 Oxford Ct.,)
Fort Wayne, IN 46815)
)
Respondent.)
)
Type of Agency Action: Enforcement)
)
License Number: 420031)

FILED
SEP 17 2020
STATE OF INDIANA
DEPT. OF INSURANCE

ADMINISTRATIVE ORDER AND
NOTICE OF NONRENEWAL OF LICENSE

The Indiana Department of Insurance (“Department”), pursuant to the Indiana Administrative Orders and Procedures Act, Indiana Code § 4-21.5-1 *et seq.*, and Indiana Code § 27-1-15.6-12, hereby gives notice to David N. Knuth (“Respondent”) of the following Administrative Order:

1. Respondent is a licensed resident insurance producer holding license number 420031 (“Respondent’s license”) since May 15, 2002.
2. Respondent’s license expires on July 31, 2020.
3. On December 17, 2018, the United State Securities and Exchange Commission (“SEC”) filed a civil complaint against Respondent. The nature of the complaint was due to Respondent allegedly having served as an unregistered broker on behalf of Woodbridge Group of Companies LLC, and it affiliates (“Woodbridge”), raising approximately \$15 million from the offer and sale of Woodbridge’s unregistered securities to at least 100 retail investors. Allegedly, Woodbridge was actually a Ponzi scheme. Allegedly,

Respondent sold Woodbridge securities without being registered with the SEC to do so, nor was Respondent associated with a registered broker-dealer who was selling Woodbridge securities. Further, the SEC complaint alleges that Woodbridge's securities were not registered with the SEC nor did they qualify for an exemption from registration. Lastly, the complaint alleges that Respondent was not permitted to sell Woodbridge securities.

4. The Department discovered Respondent had settled a FINRA consumer dispute on January 29, 2018, this dispute was regarding Responding selling eight Woodbridge securities in the State of Michigan, and the securities were not federally covered, exempt from registration, or registered. Respondent entered into an Administrative Consent Agreement and Order and paid a penalty of five thousand dollars (\$5,000.00).
5. Respondent failed to report this FINRA administrative action to the Department within thirty days of the final disposition.
6. Indiana Code § 27-1-15.6-12(b)(8) states, in part, that the Commissioner may refuse to renew 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.
7. Indiana Code § 27-1-15.6-12(b)(2)(A) states, in part, that the Commissioner may refuse to renew an insurance producer's license for violating an insurance law.
8. Indiana Code § 27-1-15.6-17(a) is an insurance law, which states, in part, a producer shall report to the Commissioner any administrative action taken against the producer in another jurisdiction or by another governmental agency not more than thirty (30) days after the final disposition of the matter.

9. Indiana Code § 27-1-15.6-12(d) provides that when the Commissioner refuses to renew a license, the Commissioner shall notify the Respondent, in writing, of the reasons for the nonrenewal. This Order serves as that notice.
10. The Commissioner further notifies Respondent that, pursuant to Indiana Code § 27-1-15.6-12(d), Respondent may, within sixty-three (63) days of the mailing of this Order, make a written demand upon the Commissioner for a hearing to determine the reasonableness of this action. Such a hearing shall be held within thirty (30) days from the date of receipt of Respondent's written demand.

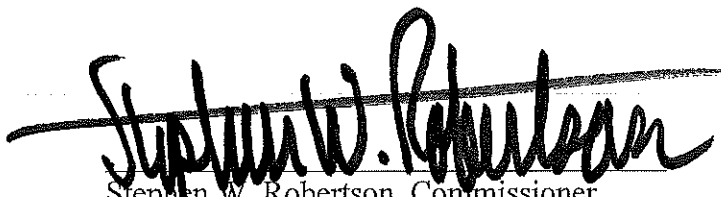
WHEREFORE, based on the foregoing, the Commissioner of Insurance hereby notifies Respondent that **Respondent's license shall not be renewed** for having been involved in a FINRA consumer dispute, having a pending SEC complaint, all of which demonstrate fraudulent, coercive, and dishonest practices, and due to Respondent's failure to timely report the FINRA settled consumer dispute to the Department.

9-17-2020

Date Signed

Distribution:

David N. Knuth
7418 Oxford Ct.,
Fort Wayne, IN 46815


Stephen W. Robertson, Commissioner
Indiana Department of Insurance

Victoria Hastings, Attorney
ATTN: Melissa Higgins, Sr. Investigator
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