

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NO: 18820-AG20-0225-037

IN THE MATTER OF:)
)
Joany, Inc.)
177 East Colorado Boulevard)
2nd Floor, #3039)
Pasadena, CA 91105)
)
Respondent.)
)
License Number: 3192474)
)
Type of Agency Action: Enforcement)

FILED

NOV 05 2020

STATE OF INDIANA
DEPT. OF INSURANCE

FINAL ORDER

On September 17, 2020, 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 their 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.

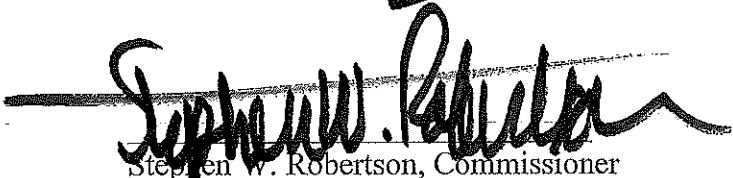
Therefore, the Commissioner of Insurance, being fully advised, now hereby adopts in full the Administrative Law Judge's Findings of Fact, Conclusions of Law, and Recommended Order and issues the following Final Order:

IT IS THEREFORE ORDERED by the Commissioner of Insurance:

1. Respondent's Non-Resident Producer Organization License Number 3192474 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 5 day of ~~October~~ ^{November}, 2020.


Stephen W. Robertson, Commissioner
Indiana Department of Insurance

Copies to:

Joany, Inc.
177 East Colorado Boulevard
2nd Floor, #3039
Pasadena, CA 91105

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

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FILED
JUN 18 2020
STATE OF INDIANA
DEPT. OF INSURANCE

NOTICE OF HEARING

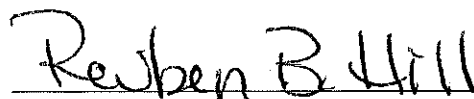
Notice is hereby given, pursuant to Indiana Code § 4-21.5-3 *et seq.*, that an evidentiary hearing will be held telephonically on July 8, 2020, at 1:00 A.M. (P.M.) Eastern Time, at 311 West Washington Street, Suite 103, Indianapolis, Indiana 46204-2787, to determine whether the Indiana Department of 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 producer licensing is contained in Indiana Code § 27-1-15.6-12. Additionally, the hearing will be conducted in accordance with Governor Eric J. Holcomb's Executive Order 20-05 Section 13(A) issued on March 19, 2020, which provides that any non-essential deadline of an agency can be extended for a period of no longer than 60 days. Thus, the requirement under Indiana Code § 27-1-15.6-12(d) that the hearing shall be held within thirty (30) days, is hereby extended per Executive Order 20-05.

The issues to be resolved at the hearing are those described in the Statement of Charges filed the same date as this Notice of Hearing. The Indiana Department of Insurance asserts that Respondent has violated the following:

- Indiana Code § 27-1-15.6-12(b)(2)(A) by violating an insurance law, specifically, Indiana Code § 27-1-15.6-8(f), which states that a nonresident insurance producer shall maintain licensure in good standing in the nonresident producer's home state.
- Indiana Code § 27-1-15.6-12(b)(2)(A) by violating an insurance law, specifically, Indiana Code § 27-1-15.6-17(a), which states that not more than thirty (30) days after the final disposition of the matter, a producer shall report to the Commissioner any administrative action taken against them in another jurisdiction.
- Indiana Code § 27-1-15.6-12(b)(7) by having committed or being found to have committed any unfair trade practice or fraud in the business of insurance.
- Indiana Code § 27-1-15.6-12(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 § 27-1-15.6-12(b)(9) for having an insurance producer license, or its equivalent, denied, suspended, or revoked in any other state, province, district, or territory.

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



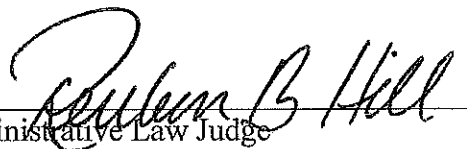
Indiana Department of Insurance
311 West Washington Street, Suite 103
Indianapolis, Indiana 46204-2787
Telephone: (317) 232-2387

The Department of Insurance will be represented by its counsel, Victoria Hastings, who can be reached at:

Indiana Department of Insurance
311 West Washington Street, Suite 103
Indianapolis, Indiana 46204-2787
Telephone: (317) 234-2102

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 §4-21.5-3-24.

Dated: 6/18/20



Administrative Law Judge
Indiana Department of Insurance

This Notice has been sent to:

Joany, Inc.
177 East Colorado Boulevard,
2nd Floor, #3039,
Pasadena, CA 91105

Victoria Hastings, Attorney
ATTN: Taylor Peycha, Investigator
Indiana Department of Insurance
311 W Washington Street Suite 103
Indianapolis, IN 46204

Certified mail # 7005 3110 0002 4438 7852

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CAUSE NO.: 18820-AG20-0225-037

IN THE MATTER OF:)

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Respondent.)

License Number: 3192474)

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STATEMENT OF CHARGES

The Enforcement Division of the Indiana Department of Insurance (“Department”), by counsel, Victoria Hastings, pursuant to the Indiana Administrative Orders and Procedures Act, Indiana Code § 4-21.5-1 *et seq.*, files its Statement of Charges against Joany, Inc. (“Respondent”), as follows:

FACTS

1. Respondent is a licensed resident insurance producer organization, holding license number 3192474, since October 4, 2016.
2. Respondent’s license is due for renewal on October 31, 2020.
3. Respondent’s home state was California.
4. Helen Kyung Lee (“Lee”) is listed as Respondent’s Designated Registered Licensed Producer.
5. Lee was a licensed nonresident insurance producer in Indiana, holding license number 313932, from September 29, 2016, through May 31, 2019, when she voluntarily surrendered her license.

6. On or about June 27, 2019, the Oregon Department of Insurance issued an Order Revoking License against Respondent, for filing Agent of Record (“AOR”) forms without consumers’ knowledge or consent.
7. Respondent did not report the Oregon action to the Department within thirty days from the final disposition.
8. On or about July 24, 2019, the California Department of Insurance issued an Order Revoking License against Respondent, due to Lee’s California felony conviction.
9. Respondent did not report the California action to the Department within thirty days from the final disposition.
10. On or about September 12, 2109, the South Dakota Department of Insurance issued a Final Decision Order to revoke Respondent’s license for using fraudulent, coercive, and dishonest practices in the conduct of business.
11. Respondent did not report the South Dakota action to the Department within thirty days from the final disposition.
12. On or about October 25, 2019, Michigan issued an Order Accepting Stipulation to revoke Respondent’s license for using unfair trade practices, misrepresenting insurance products or applications, and for submitting or using fraudulent applications.
13. Respondent did not report the Michigan action to the Department within thirty days from the final disposition.
14. On or about February 10, 2020, Delaware issued a Consent Order fining Respondent five hundred (\$500) dollars for failing to disclose other states’ actions.
15. Respondent did not report the Delaware action to the Department within thirty days from the final disposition.

16. On March 4, 2020, the Commissioner mailed Respondent a certified mail article # 7005 3110 0002 4441 8747 requesting a list of appointment to Respondent's address of record.
17. On March 12, 2019, certified mail article # 7005 3110 0002 4441 8747 was marked as successfully delivered to Respondent.
18. The Department has not yet received a list of appointments from Respondent.
19. On or about March 18, 2020, Vermont issued a Default Judgement and Order revoking Respondent's license for having had their Oregon, California, South Dakota, and Michigan license previously revoked.
20. Respondent did not report the Vermont action to the Department within thirty days from the final disposition.

CHARGES

COUNT I

1. Averments 1 through 20 are incorporated fully herein by reference.
2. Indiana Code § 27-1-15.6-12(b) states, in part, that the Commissioner may permanently revoke an insurance producer license, due to a number of causes.
3. Specifically, Indiana Code § 27-1-15.6-12(b)(2)(A), states, in part, that the Commissioner may permanently revoke an insurance producer license for violating an insurance law.
4. Respondent's conduct, as alleged herein, violates Indiana Code § 27-1-15.6-8(f), which is an insurance law, that states that a nonresident insurance producer shall maintain licensure in good standing in the nonresident producer's home state.

COUNT II

1. Averments 1 through 20 are incorporated fully herein by reference.

2. Indiana Code § 27-1-15.6-12(b) states, in part, that the Commissioner may permanently revoke an insurance producer license, due to a number of causes.
3. Specifically, Indiana Code § 27-1-15.6-12(b)(2)(A), states, in part, that the Commissioner may permanently revoke an insurance producer license for violating an insurance law.
4. Respondent's conduct, as alleged herein, violates Indiana Code § 27-1-15.6-17(a), which is an insurance law, that states that not more than thirty (30) days after the final disposition of the matter, a producer shall report to the Commissioner any administrative action taken against them in another jurisdiction.

COUNT III

1. Averments 1 through 20 are incorporated fully herein by reference.
2. Indiana Code § 27-1-15.6-12(b) states, in part, that the Commissioner may permanently revoke an insurance producer license, due to a number of causes.
3. Specifically, Indiana Code § 27-1-15.6-12(b)(7), states, in part, that the Commissioner may permanently revoke an insurance producer license for admitting to having committed or being found to have committed any unfair trade practice or fraud in the business of insurance.

COUNT IV

1. Averments 1 through 20 are incorporated fully herein by reference.
2. Indiana Code § 27-1-15.6-12(b) states, in part, that the Commissioner may permanently revoke an insurance producer license, due to a number of causes.
3. Specifically, Indiana Code § 27-1-15.6-12(b)(8), 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.

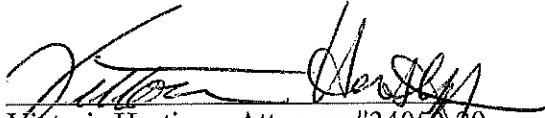
COUNT V

1. Averments 1 through 20 are incorporated fully herein by reference.
2. Indiana Code § 27-1-15.6-12(b) states, in part, that the Commissioner may permanently revoke an insurance producer license, due to a number of causes.
3. Specifically, Indiana Code § 27-1-15.6-12(b)(9), states, in part, that the Commissioner may permanently revoke an insurance producer license for having an insurance producer license, or its equivalent, denied, suspended, or revoked in any other state, province, district, or territory.

WHEREFORE, the Enforcement Division of the Indiana Department of Insurance, by counsel, Victoria Hastings, 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 nonresident insurance producer's license; and
2. Grant all other relief just and proper in the premises.

Respectfully submitted,

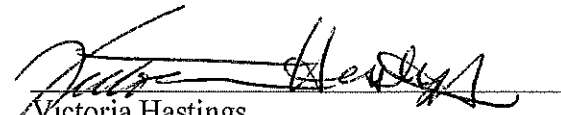

Victoria Hastings, Attorney #3405229
Enforcement Division

Indiana Department of Insurance
Enforcement Division
311 West Washington Street, Suite 103
Indianapolis, Indiana 46204-2787
Telephone: (317) 234-2101
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.

Joany, Inc.
177 East Colorado Boulevard,
2nd Floor, #3039,
Pasadena, CA 91105


Victoria Hastings

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License Number: 3192474)
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Type of Action: Enforcement)



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FINDINGS OF FACT AND SUSPENSION ORDER

WHEREAS, Joany, Inc. ("Respondent") is a licensed nonresident insurance producer organization, holding license number 3192474;

WHEREAS, Indiana Code § 27-1-15.6-8(f) states that a nonresident producer who receives a nonresident producer license shall maintain licensure in good standing in the nonresident producer's home state;

WHEREAS, Indiana Code § 27-1-15.6-8(b) states that the Commissioner of the Indiana Department of Insurance ("Commissioner") may verify a producer's licensing status through the Producer Database maintained by the National Association of Insurance Commissioners ("NAIC") and its affiliates or subsidiaries;

WHEREAS, Indiana Code § 27-1-15.6-12(g) states, in part, that a licensed producer shall furnish the Commissioner with a full and complete report listing each insurer with which the licensee has held an appointment during the year preceding the request, within ten (10) days of receiving a request;

WHEREAS, Helen Kyung Lee (“Lee”) is listed as Respondent’s Designated Registered Licensed Producer;

WHEREAS, Lee was a licensed nonresident insurance producer in Indiana, holding license number 313932, from September 29, 2016 through May 31, 2019 when she voluntarily surrendered;

WHEREAS, on or about July 24, 2019, the California Department of Insurance issued an Order Revoking License against Respondent, due to Lee’s California felony conviction;

WHEREAS, on May 18, 2020, the Commissioner verified through the Producer Database maintained by the NAIC that Respondent’s producer’s license in its home state of California was no longer active as of July 27, 2019, and is no longer in effect as required under Indiana Code § 27-1-15.6-8(f);

WHEREAS, on March 4, 2020, the Commissioner mailed Respondent a certified mail article # 7005 3110 0002 4441 8747 requesting a list of appointment to Respondent’s address of record

WHEREAS, on March 12, 2019, certified mail article # 7005 3110 0002 4441 8747 was marked as successfully delivered to Respondent;

WHEREAS, Respondent has failed to provide a list of appointments within ten (10) days of receiving the Commissioner’s request;

WHEREAS, Respondent’s failure to provide the list of appointments within ten (10) days constitutes a violation of Indiana Code § 27-1-15.6-12(g); and

WHEREAS, Indiana Code § 27-1-15.6-12(h) provides that the Commissioner may, without a hearing and in his sole discretion, suspend any insurance license held by the licensee in

the event that the licensee fails to remit the list of appointments within ten (10) days of receiving the request; and

WHEREAS, Indiana Code § 27-1-15.6-8(g) provides that the Commissioner may, without a hearing and in his sole discretion, suspend any Indiana insurance producer license held by the nonresident producer until the Commissioner receives notice from the nonresident producer's home state that the home state license is in effect.

IT IS THEREFORE ORDERED BY THE COMMISSIONER that Respondent's license number 3192474 is hereby suspended, effective immediately, and will remain suspended until Respondent submits the list of appointments requested by the Commissioner, and until the Commissioner receives notice from Respondent's home state that Respondent's home state license is in effect.

6-18-2020

Date Signed


Stephen W. Robertson, Commissioner
Indiana Department of Insurance

Distribution to:

Joany, Inc.
177 East Colorado Boulevard
2nd Floor, #3039
Pasadena, CA 91105

Victoria Hastings, Attorney
ATTN: Taylor Peycha, Investigator
Indiana Department of Insurance
311 West Washington St. #103
Indianapolis, IN 46204-2787