

**STATE OF MAINE
BUREAU OF INSURANCE**

IN RE:)	
)	
STEVEN B. TRATTNER)	
)	
Maine License No. PRN105914)	
National Producer No. 515931)	CONSENT AGREEMENT
)	
Docket No. INS-10-226)	

This document is a Consent Agreement authorized by Title 10 M.R.S. § 8003(5), entered into among Steven B. Trattner, a resident of Florida; the Maine Superintendent of Insurance; and the Maine Office of the Attorney General. Its purpose is to resolve, in lieu of an adjudicatory proceeding, issues implicating Title 24-A M.R.S. §1417(1) and §1420-K(1)(B).

PARTIES

1. The Superintendent of Insurance ("Superintendent") is the official charged with administering and enforcing Maine's insurance laws and regulations, and the Bureau of Insurance ("Bureau") is the administrative agency with such jurisdiction. The Superintendent has jurisdiction over this matter pursuant to the Insurance Code generally, Title 24-A Maine Revised Statutes Annotated, in particular, 24-A M.R.S. §§ 12-A and 229, as well as other provisions.
2. Steven B. Trattner has been licensed in Maine as a non-resident insurance producer with Life & Health authority since August 3, 2004. His Maine Producer Number is PRN105914. His National Producer Number is 515931.

STATUTORY AUTHORITY

3. Under 24-A M.R.S. §1417 and §1420-K(1)(B), after notice and opportunity for hearing, the Superintendent may place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license or may levy a civil penalty in accordance with section 12-A, or take any combination of such actions, for violating any insurance laws.
4. This Consent Agreement is entered into pursuant to 10 M.R.S. § 8003(5)(B).

FACTS

5. Mr. Trattner holds nonresident insurance producer license number PRN105914 issued by the Bureau of Insurance ("Bureau") on August 3, 2004.
6. For all times relevant to this matter, Mr. Trattner was registered with the Bureau as the responsible individual for Cinergy Health, Inc. ("Cinergy"), which, as of October 2009, has been based in Sunrise, Florida and which holds nonresident producer agency license

number AGN144795 issued by the Bureau on September 14, 2007. Cinergy was previously based in Aventura, Florida.

7. As the responsible individual for Cinergy, Mr. Trattner was responsible for ensuring that every individual who acted in the name of Cinergy did not act beyond the scope of the individual's license.
8. Guarantee Trust Life Insurance Company ("GTL"), the holder of Maine foreign life and health insurance company license number LHF191, issued a group limited benefits health insurance policy (GTL Group Insurance Policy Number 50001) with an effective date of January 1, 2008, to the National Congress of Employers ("NCE"), an association located in Washington, D.C. This policy will be hereinafter referred to as "the NCE Policy."
9. On or about October 13, 2008, GTL appointed Mr. Trattner as an insurance producer in Maine.
10. On or about October 14 and 15, 2008, GTL appointed three other Cinergy producers as insurance producers in Maine.
11. On or about October 20, 2008, GTL appointed Cinergy as a producer agency in Maine.
12. From on or about February 1, 2008, through December 15, 2008, Cinergy and its producers sold insurance coverage under the NCE Policy to 83 residents of Maine.
13. Of these 83 sales to Maine residents, 50 were made between February 1, 2008, and October 15, 2008, before GTL appointed Cinergy as a producer agency in Maine. At least 29 of these 50 sales of coverage were made by Cinergy agents who were neither licensed as Maine producers nor appointed as GTL producers in Maine at the time of sale, although some may have been licensed in other jurisdictions.
14. Of these 50 sales 4 were made by agents who were licensed in Maine but not appointed by GTL at the time of sale.
15. Of these 83 sales to Maine residents, 33 were made after Cinergy was appointed by GTL as a producer agency in Maine and 18 of these 33 sales of coverage were made by Cinergy agents who were neither licensed as Maine producers nor appointed as GTL producers in Maine at the time of sale, although some may have been licensed in other jurisdictions.

VIOLATIONS OF LAW

Failing to Ensure Licensure of Individuals Soliciting Insurance

16. Pursuant to 24-A M.R.S. § 1413(3) the responsible person for a business entity licensed as a producer shall ensure that every individual acting in the name of the entity does not act beyond the scope of that individual's license.
17. Pursuant to 24-A M.R.S. § 1420-B, a person may not sell, solicit, or negotiate insurance in this State for any class or classes of insurance unless the person is licensed by the Bureau for that line of authority.
18. From February 1, 2008, through December 15, 2008, individuals acting in the name of Cinergy but without being licensed as insurance producers by the Bureau sold coverage under the NCE Policy to 47 residents of Maine.
19. Mr. Trattner violated 24-A M.R.S. § 1413(3) each and every time an individual from Cinergy sold insurance coverage to residents of Maine without a producer license from February 1, 2008, through December 15, 2008.

Failing to Ensure Appointment of Producers

20. Pursuant to 24-A M.R.S. § 1413(3) the responsible person for a business entity licensed as a producer shall ensure that every individual acting in the name of the entity does not act beyond the scope of that individual's license.
21. Pursuant to 24-A M.R.S. § 1420-M, an insurance producer may not act as an agent of an insurer unless the insurance producer becomes an appointed agent of that insurer.
22. From February 1, 2008, through December 15, 2008, individuals acting in the name of Cinergy but without being appointed agents of GTL sold coverage under the NCE Policy to 68 residents of Maine.
23. Mr. Trattner violated 24-A M.R.S. § 1413(3) each and every time an individual from Cinergy sold insurance coverage to residents of Maine without being appointed as an agent of GTL from February 1, 2008, through December 15, 2008.

COVENANTS

24. Steven B, Trattner hereby admits to the facts as stated above, admits that such conduct constitutes grounds for imposing discipline as violations of 24-A M.R.S. §§ 1413(3), 1420-B, and 1420-M, and agrees to the imposition of the disciplinary sanctions specified below.
25. Mr. Trattner has cooperated with the investigation and the sanctions imposed by this Consent Agreement reflect that cooperation.
26. Mr. Trattner agrees to the imposition of a civil penalty in the amount of ten thousand dollars (\$10,000), all but five thousand dollars (\$5,000) of which shall be suspended for as long as Mr. Trattner complies with the terms of probation specified below. The unsuspended portion of this civil penalty shall be made payable to the Treasurer of the State of Maine, which payment shall be due within thirty (30) days following the date of the Superintendent's signature below.
27. Mr. Trattner agrees to the imposition of a license probation, which shall be for a period of two (2) years commencing on the date of the Superintendent's signature below, during which period Mr. Trattner shall adhere to conditions of probation described below.
 - a. During all times that Mr. Trattner is a designated responsible individual for a producer agency licensed in Maine, he will ensure that all individuals soliciting insurance under the name of the producer agency are properly licensed in the State of Maine;
 - b. During all times that Mr. Trattner is a designated responsible individual for a producer agency licensed in Maine, he will ensure that all individuals soliciting insurance under the name of the producer agency are properly appointed in Maine by the insurer for which they are soliciting insurance coverage;
 - c. During all times that Mr. Trattner is a designated responsible individual for a producer agency licensed in Maine, he will ensure that the only individuals who contact Maine residents in the name of the producer agency are licensed as producers in Maine;
 - d. During all times that Mr. Trattner is the designated responsible individual for a producer agency licensed in Maine, he will ensure that when a Maine resident contacts the producer agency, the Maine consumer is immediately connected with

- an individual within the producer agency who is licensed as a Maine producer, and if no such licensed producer is available, the Maine consumer is informed that no such licensed producer is available and provided with a future opportunity to speak with a Maine licensed producer if the Maine consumer desires; and
- e. If at any time Mr. Trattner becomes aware of any individuals or entities that are soliciting insurance in Maine without being licensed or appointed in Maine, he shall immediately report this activity to the Maine Bureau of Insurance and in so doing reference this Consent Agreement.
28. Violation of the terms of probation will result in the immediate imposition of the suspended portion of the civil penalty imposed by this Consent Agreement. Payment of the suspended portion of the civil penalty does not prevent the Superintendent from pursuing further disciplinary measures, if applicable, for the underlying conduct that constituted the probation violation.
 29. The Parties to this Consent Agreement understand that nothing herein shall affect any rights or interest that any person not a party to this Consent Agreement may possess.
 30. Nothing in this Consent Agreement shall be construed to excuse any obligation or duty of Mr. Trattner to past or present clientele.
 31. In consideration of the Mr. Trattner's execution of and compliance with the terms of this Consent Agreement, the Superintendent of Insurance, the Bureau of Insurance, and Office of the Attorney General agree to forgo pursuing further disciplinary measures or other civil or administrative sanctions available under the Insurance Code for the specific conduct described in this Consent Agreement, other than those agreed to herein. However, should Mr. Trattner violate this Consent Agreement or the terms of probation specified herein, he may be subject to any available legal remedy for the violation, including without limitation the suspension or revocation of all licenses issued under the Maine Insurance Code.
 32. This Consent Agreement is enforceable by an action in Maine Superior Court.
 33. This Consent Agreement is not subject to appeal.
 34. This Consent Agreement may be modified only by a written agreement executed by all of the parties hereto.
 35. This Consent Agreement is a public record subject to the provisions of the Maine Freedom of Access Law, 1 M.R.S. §§ 401 through 410, will be available for public inspection and copying as provided for by 1 M.R.S. § 408, and will be reported to the National Association of Insurance Commissioners' "RIRS" database.
 36. By his signature on this Consent Agreement, Mr. Trattner indicates that he has read the Consent Agreement, that he understands the Consent Agreement, that he has reviewed the statutory provisions he has violated, that he has been advised of his right to consult with counsel and has had an opportunity to consult with counsel before signing the Consent Agreement, and that he enters into the Consent Agreement voluntarily and without coercion of any kind from any person.

STEVEN B. TRATTNER

Dated: Dec. 29, 2010

Steven B. Trattner

THE MAINE SUPERINTENDENT OF INSURANCE

Dated: Dec. 30, 2010

Mila Kofman, Superintendent

FOR THE OFFICE OF THE ATTORNEY GENERAL

Dated: Dec. 30, 2010

Andrew L. Black
Assistant Attorney General