

STATE OF MAINE
BUREAU OF INSURANCE

IN RE:

Kristen D. Lander
Maine Producer No. PRR52787
National Producer No. 3682155

CONSENT AGREEMENT AND ORDER

Docket No. INS-19-216

Kristen D. Lander, a licensed resident insurance producer, the Maine Superintendent of Insurance (Superintendent), and the Office of the Maine Attorney General (Attorney General) hereby enter into this Consent Agreement and Order (Agreement) pursuant to 10 M.R.S. § 8003(5)(B) to resolve, without an adjudicatory proceeding, a violation of the Insurance Code for which the Superintendent may impose discipline pursuant to 24-A M.R.S. §§ 1417 and 1420-K.

STATUTORY AUTHORITY

1. Under 24-A M.R.S. §§ 12-A and 1420-K and 10 M.R.S. § 8003(5)(A-1) the Superintendent may issue a warning, censure, or reprimand to a licensee, may suspend, revoke or refuse to renew the license of a licensee, may impose conditions of probation on the licensee, may levy a civil penalty, or may take any combination of such actions, for violating any insurance laws, or violating any rule, regulation, subpoena, or order of the Superintendent. Pursuant to 10 M.R.S. § 8003(5)(B), the Superintendent may resolve a complaint by entering into a consent agreement with a licensee and with the agreement of the Attorney General.

2. Title 24-A M.R.S. § 1420-K(1)(H) provides that the Superintendent may take these disciplinary actions for using fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this State or elsewhere.

FACTS

3. The Superintendent of Insurance is the official charged with administering and enforcing Maine's insurance laws and regulations, and the Bureau of Insurance is the administrative agency with such jurisdiction. The Superintendent has jurisdiction over this matter pursuant to the powers set forth in the Insurance Code generally, as well as the specific provisions of 24-A M.R.S. §§ 12-A and 211 and 10 M.R.S. § 8003.

4. Kristen D. Lander is a resident of Maine and her National Producer Number ("NPN") is 3682155.

5. C.O. is a Maine resident and a client of Ms. Lander. C.O. had obtained commercial liability coverage with United States Liability Insurance Company (USLI) through Ms. Lander's agency since 2016.

6. On or around December 31, 2018, Ms. Lander mailed a “renewal offer” to C.O. for his commercial liability coverage, as his existing policy was due to expire on January 31, 2019. The “renewal offer” consisted of: a cover letter; a Surplus Lines Disclaimer Statement; a terrorism coverage election form; a supplemental application; a Notice of Auditable Policy; and a commercial lines checklist.

7. Although the cover letter described the packet as a renewal offer, the included application was for coverage with a different insurance company, Scottsdale Surplus Lines Insurance Company (Scottsdale). Ms. Lander sought to place C.O.’s coverage with a new carrier because she believed that USLI was no longer writing occurrence-based policies and she was seeking consistency for C.O.’s coverage. Ms. Lander did not discuss the change in insurers with C.O. prior to sending him the “renewal offer.”

8. The December 31, 2018, “renewal offer” contained several inaccuracies:

- a. The cover letter identified the offer as a renewal, although it was with a new insurer and not a renewal of coverage;
- b. The cover letter listed USLI as the insurer, when the insurer was Scottsdale;
- c. The cover letter stated that the policy fee was waived, but a surplus lines broker fee was required for the coverage;
- d. The cover letter identified the premium amount as a renewal premium, when it was not a renewal;
- e. The premium listed in the cover letter included the broker fee which should have been separately stated;
- f. The Surplus Lines Disclaimer Statement identified the insurance company as USLI; and
- g. The Scottsdale application failed to accurately state the insured’s full name.

9. C.O. completed the applicable forms in the “renewal offer” and returned them to Ms. Lander. The Scottsdale policy was issued effective January 31, 2019.

10. On or around February 6, 2019, the Bureau of Insurance received a complaint from C.O. regarding Ms. Lander’s handling of his commercial liability policy.

CONCLUSIONS OF LAW

11. Ms. Lander’s failure to discuss a change of insurer with her client, C.O., and her errors described in Paragraphs 7 and 8 represent violations of 24-A M.R.S. § 1420-K(1)(H).

COVENANTS

12. Ms. Lander admits to the Facts as stated above and admits that these Facts constitute a basis for imposing discipline upon her.

13. Ms. Lander agrees to the imposition of a civil penalty in the amount of Five Hundred Dollars (\$500.00). This civil penalty will be remitted to the Maine Bureau of Insurance at the time of returning this signed agreement. Payment shall be by check or money order made out to "Treasurer, State of Maine" and addressed to: Licensing Attorney, Maine Bureau of Insurance, 34 State House Station, Augusta, Maine 04333-0034.

14. Nothing in this Agreement shall affect the rights or interests of any person who is not a party to this Agreement.

15. This Agreement constitutes an Order of the Superintendent and a violation of its terms is enforceable by the Superintendent.

16. This Agreement is also enforceable by an action in Maine Superior Court.

17. This Agreement is not subject to appeal. Ms. Lander waives any further hearings or appeals regarding the matters that are the subject of this Agreement.

18. This Agreement may be modified only by a written agreement executed by all of the parties hereto.

19. This Agreement is a public record subject to the provisions of the Maine Freedom of Access Act and will be reported to the Regulatory Information Retrieval System database at the National Association of Insurance Commissioners.

20. Ms. Lander agrees that she has read this Agreement, that she understands this Agreement, that she has reviewed the statutory provisions set forth herein, that she understands her right to consult with counsel before signing this Agreement, and that she enters into this Agreement voluntarily and without coercion of any kind from any person.

21. In consideration of Ms. Lander's execution of and compliance with the terms of this Agreement, the Superintendent and Attorney General agree to forgo pursuing against Ms. Lander any further disciplinary measures or other civil or administrative sanctions arising under the Maine Insurance Code concerning the specific conduct described in this Agreement, other than those agreed to herein. However, should Ms. Lander violate any provision of this Agreement, she may be subject to any available remedy for the violation.

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KRISTEN D. LANDER

Dated: 7/10/19


Kristen D. Lander


THE MAINE OFFICE OF THE ATTORNEY GENERAL

Dated: 7/17/19


Lisa A. Wilson
Assistant Attorney General

THE MAINE SUPERINTENDENT OF INSURANCE

Dated: 7/23/19


Eric A. Cioppa
Superintendent of Insurance

