



**In re:**  
**Coverdell & Company, Inc.**

**STATE OF MAINE**  
**BUREAU OF INSURANCE**  
**Docket No. INS-01-2539**

**CONSENT AGREEMENT**

This document is a Consent Agreement authorized by Title 10 M.R.S.A. § 8003(5), entered into among Coverdell & Company, Inc., a Georgia corporation; the Maine Bureau of Insurance; and the Maine Department of the Attorney General. Its purpose is to resolve, in lieu of an adjudicatory proceeding, a violation of Title 24-A M.R.S.A §1417(1)(C).

**STATEMENT OF FACTS**

1. 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.
2. Coverdell & Company, Inc. applied for a Maine Nonresident Agency License in April, 2001.
3. Item H on the State of Maine "Application for Agency License" form filed with the Bureau required a response to the following question:

"Has the agency ever been subject to an action by an insurance regulatory official or any other professional licensing organization?"

4. The applicant answered "No" to Item H.
5. The application included Michael L. Owens's signature as the responsible officer of the corporation, dated 4/9/01, under the statement:

"I hereby state the above answers are complete and true."

6. Staff of the Maine Bureau of Insurance discovered, through its routine application review process, that Coverdell & Company, Inc. had been subject to an administrative action for failure to timely file, issued by the State of Mississippi in connection with a financial exam, and resulting in a penalty of \$500.00.
7. The Supervisor of Licensing for the Maine Bureau of Insurance requested, by letter, an explanation for Coverdell & Company, Inc.'s failure to disclose the Mississippi matter.
8. The Bureau received a written reply from Michael Owens, the firm's President, which stated:

"This is in response to your letter of May 17, 2001 regarding a fine assessed against Coverdell & Company by the State of Mississippi in 1997 that was not disclosed on our license application. First I would like to apologize for the inadvertent omission of disclosure. We have a new Chief Financial

Officer since 1997, and the documentation in our licensing files regarding the MS matter was not complete. As far as the fine itself, this was an assessment that was made for failure to file the annual report on time due to clerical oversight on our part. The proper reports were subsequently filed and we are currently in good standing with the MS Insurance Department.”

### CONCLUSIONS OF LAW

9. Coverdell & Company, Inc. failed to disclose a material fact in its Maine application for nonresident licensing.
10. The firm’s failure in its Maine nonresident agency application to disclose the Mississippi matter constituted a violation of 24-A M.R.S.A. §1417(1)(C), which provides that obtaining or attempting to obtain any license through misrepresentation, failure to disclose a material fact required to be disclosed in the application or fraud constitutes grounds for denial of the license application.

### COVENANTS

11. Coverdell & Company, Inc., the Maine Bureau of Insurance, and the Maine Department of the Attorney General agree to the following.
12. This Consent Agreement is entered into in accordance with 10 M.R.S.A. § 8003(5)(B) and is not subject to review or appeal. This Consent Agreement is enforceable by an action in the Superior Court.
13. At the time of executing this Consent Agreement, Coverdell & Company, Inc. will remit to the Maine Bureau of Insurance a civil penalty in the amount of \$250.00, payable to the Treasurer of the State of Maine.
14. Coverdell & Company, Inc. will promptly report any matters to the Maine Bureau of Insurance during all times as it is licensed through the Bureau, to the extent such reporting is required under the Maine Insurance Code, and will comply in all other respects with the provisions of the Maine Insurance Code, as applicable.
15. In consideration of the applicant’s execution of this Consent Agreement, the State of Maine Bureau of Insurance shall issue the Nonresident Agency License for which Coverdell & Company, Inc. has applied.
16. Coverdell & Company, Inc. understands and acknowledges that this Agreement will constitute a public record within the meaning of 1 MRSA § 402, and will be available for public inspection and copying as provided for by 1 MRSA § 408, and will be reported to the NAIC “RIRS” database.
17. Nothing herein shall prohibit the Superintendent or the Maine Bureau of Insurance from seeking an Order to revoke or suspend Coverdell & Company, Inc.'s license in the State of Maine in the event that it does not comply with the above terms or in the event the Bureau receives evidence that further legal action is necessary for the protection of Maine consumers.
18. Nothing in this Agreement shall affect the rights or interests of any person who is not a party to this Agreement.

**FOR COVERDELL & COMPANY, INC.**

**Coverdell & Company, Inc.**

Dated: 11/28, 01

By: *Michael L. Owens*

Michael L. Owens  
(printed name)

Its: President  
(Title)

State of Georgia  
County of Fulton

Subscribed and Sworn to before me  
this 28th day of November, 2001

*Delora W. Shabongian*  
Notary Public

Notary Public, Gwinnett County, Georgia  
My Commission Expires June 6, 2005

**THE MAINE BUREAU OF INSURANCE**

Dated: Dec. 12, 2001

*Alessandro A. Iuppa*  
By Alessandro A. Iuppa, Superintendent

**FOR THE DEPARTMENT OF THE ATTORNEY GENERAL**

Dated: Feb. 11, 2002

*Thomas C. Sturtevant, Jr.*  
Assistant Attorney General

Thomas C. Sturtevant, Jr., AAG  
(printed name)