

**STATE OF MAINE
DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION
BUREAU OF INSURANCE**

IN RE:

**DAVID W. HITE
National Producer # 3567162**

Docket No. INS 04-505

**DECISION AND ORDER
REVOKING
INSURANCE ADJUSTER
LICENSE**

INTRODUCTION

1) This matter is before the Superintendent of Insurance, after notice and opportunity for hearing, pursuant to a Petition to REVOKE the resident insurance producer license of David W. Hite, dated August 16, 2004, and filed by the Staff of the Maine Bureau of Insurance.

2) The Maine Insurance Code regulates persons who offer or sell insurance products in the State of Maine. The Superintendent of Insurance has jurisdiction over this matter pursuant to the Insurance Code generally, Title 24-A Maine Revised Statutes Annotated, and in particular, 24-A M.R.S.A. §§211, 220, 1417, 1420-K and 1420-P.

FINDINGS OF FACT

3) David W. Hite is licensed in Maine as a resident insurance producer. His license number in Bureau records is PRR 87151. His National Producer Registry Number is 3567162.

4) Mr. Hite's last known personal address, specified in his application for licensing dated June 10, 2002, is:

218 Sweeden Street
Caribou, ME 04736

UNDISCLOSED CRIMINAL CONVICTIONS

5) The Bureau of Insurance originally received Mr. Hite's application for producer licensing on June 26, 2002, and Bureau licensing staff approved it after review and in reliance upon the statements made in it.

6) Item "K" on the application form in use at the time required disclosure of any prior criminal matters. In response, Mr. Hite disclosed a 2001 O.U.I. case.

7) Bureau staff subsequently learned through other sources that Mr. Hite had been previously convicted of a number of offenses in the State of Florida, specifically including at least two misdemeanor convictions in 1988 for passing worthless checks in 1988, and a misdemeanor conviction in 1992 for passing a worthless check in 1989.

8) On June 22, 2004, a Bureau attorney wrote to Mr. Hite, noting that Mr. Hite had not disclosed any convictions on his application other than the 2001 O.U.I. matter, and requesting a full explanation and documentation of these matters.

9) The June 22 letter specified that, in accordance with 24-A M.R.S.A. §220, Mr. Hite was required to provide a substantive response or to provide the reason for any inability to respond, by no later than Monday, July 26, 2004.

10) Mr. Hite has not provided any response.

UNREPORTED ADMINISTRATIVE MATTERS

11) The records contained in the NAIC "Producer Database," which is an official source of licensing information regarding insurance producers, indicate the following administrative actions against Mr. Hite's license:

a) License probation in the State of California effective May 9, 2004, for misstatement on application, regarding misdemeanor convictions.

b) License revocation in the State of Kentucky effective May 5, 2003, for failure to make required disclosure on application, regarding criminal history.

c) License denial in the State of Ohio effective June 16, 2003, relating to criminal history.

d) License revocation in the State of Oregon effective May 6, 2003, for failure to make required disclosure in application, and failure to report other State action.

12) The June 22, 2004 letter, referred to in Paragraph 8 above, also reminded Mr. Hite of the ongoing legal obligation to report criminal or administrative actions to the Superintendent within 30 days.

13) Mr. Hite has not reported any of the above actions to the Maine Superintendent of Insurance.

14) The Bureau provided notice by U.S. Mail to Mr. Hite of the Petition to revoke, and provided opportunity for hearing, by regular mail directed to the above address on August 18, 2004 in accordance with the requirements of 24-A M.R.S.A. §213.

15) Mr. Hite has not requested a hearing on this matter, and the time period allotted for the filing of any such request has expired.

GROUND FOR LICENSE REVOCATION and FINDINGS

UNDISCLOSED CRIMINAL CONVICTIONS

16) The Superintendent may, after notice and opportunity for hearing, revoke a producer's license under 24-A M.R.S.A. §1420-K(1)(A), based upon "providing incorrect, misleading, incomplete or materially untrue information in the license application."

17) The Superintendent FINDS that Mr. Hite failed to disclose his prior misdemeanor convictions, which constitutes statutory grounds for revoking Mr. Hite's producer license under §1420-K(1)(A).

UNREPORTED ADMINISTRATIVE MATTERS

18) The Superintendent may, after notice and opportunity for hearing, revoke a producer's license under 24-A M.R.S.A. §1420-K(1)(B) for violating any insurance laws. The Maine Insurance Code, at 24-A M.R.S.A. §1420-P(1), provides that: "A producer shall report to the superintendent any administrative action taken against the producer in another jurisdiction or by another governmental agency in this State within 30 days of the final disposition of the matter. This report must include a copy of the order, consent to order or other relevant legal documents."

19) The Superintendent FINDS that Mr. Hite did not report any of the above actions by California, Kentucky, Ohio, and Oregon, which violated 24-A M.R.S.A. §1420-P(1) and therefore constitutes grounds for action against Mr. Hite's license under §1420-K(1)(B).

LICENSE ACTIONS IN OTHER STATES

20) The Superintendent may, after notice and opportunity for hearing, revoke a producer's license under 24-A M.R.S.A. §1420-K(1)(I), based upon "having an insurance producer license, or its equivalent, denied, suspended or revoked in any other state, province, district or territory."

21) The Superintendent FINDS that Mr. Hite's insurance producer license has been revoked in the States of Kentucky and Oregon, and denied in the State of Ohio, each of which actions constitutes grounds for action against Mr. Hite's Maine license under §1420-K(1)(I).

FAILURE TO RESPOND TO THE SUPERINTENDENT

22) The Maine Insurance Code, at 24-A M.R.S.A. §220(2), provides that: "All insurers and other persons required to be licensed pursuant to this Title shall respond to all lawful inquiries of the superintendent that relate to resolution of consumer complaints involving the licensee within 14 days of receipt of the inquiry and to all other lawful inquiries of the superintendent within 30 days of receipt. If a substantive response can not in good faith be provided within the time period, the person required to respond shall so advise the superintendent and provide the reason for the inability to respond."

23) The letter dated June 22, 2004 from the Bureau attorney on behalf of the Superintendent reminded Mr. Hite of his obligation under 24-A M.R.S.A. §220(2) to respond to the inquiry. The Superintendent FINDS that Mr. Hite did not respond, in violation of §220(2), which constitutes statutory grounds for revoking Mr. Hite's producer license under §1420-K(1)(B) for violating insurance laws.

ORDER REVOKING LICENSE of DAVID W. HITE

The resident insurance producer license of David W. Hite, # PRR 87151, National Producer # 3567162, is hereby **REVOKED** in accordance with the above findings, pursuant to 24-A M.R.S.A. §1417 and 24-A M.R.S.A. §1420-K.

The effective date of this Order is September 24, 2004.

NOTICE OF APPEAL RIGHTS

This Decision and Order is a final agency action of the Superintendent of Insurance within the meaning of the Maine Administrative Procedures Act. It is appealable to the Superior Court in the manner provided in 24-A M.R.S.A. §236, 5 M.R.S.A. §11001, *et seq.*, and M.R.Civ.P. 80C. Any party to the proceeding may initiate an appeal within thirty (30) days after receiving this notice, which has been given in accordance with the

requirements of 24-A M.R.S.A. §213. Any aggrieved non-party whose interests are substantially and directly affected by the Decision and Order may initiate an appeal within forty (40) days of the issuance of this Decision and Order. There is no automatic stay pending appeal; application for stay may be made in the manner provided in 5 M.R.S.A. §11004.

ALESSANDRO A. IUPPA
Superintendent, Maine Bureau of
Insurance