

In re:
Lyla J. Larson
National Producer # 1685665

STATE OF MAINE
BUREAU OF INSURANCE

Docket No. INS-07-220

CONSENT AGREEMENT

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

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. Lyla J. Larson applied for a Maine Nonresident Producer License in July, 2007.

Failure to disclose administrative matter

3. Item 2 of the background questions on the application form electronically filed in connection with this application required a response to the following question:

“Have you or any business in which you are or were an owner, partner, officer or director ever been involved in an administrative proceeding regarding any professional or occupational license?”

4. Ms. Larson answered “No” to Item (2).
5. The application included Ms. Larson's “Certification and Attestation” under the statement:

“I hereby certify that, under penalty of perjury, all of the information submitted in this application and attachments is true and complete. I am aware that submitting false information or omitting pertinent or material information in connection with this application is grounds for license revocation or denial of the license and may subject me to civil or criminal penalties.”

6. Staff of the Maine Bureau of Insurance discovered, through its application review process, that Ms. Larson had been subject to a consent order in the State of Minnesota as an insurance producer in 2002, resulting in a penalty in the amount of \$500.00.
7. The Supervisor of Licensing for the Maine Bureau of Insurance requested, by letter dated July 19, 2007, an explanation for Ms. Larson's failure to disclose the Minnesota penalty.

8. Ms. Larson's faxed reply on August 21, 2007 provided documentation of the underlying incident, and stated the following regarding her nondisclosure of the matter on the electronic application:

"This is in response to the error I made in the application, for a non-residence license. When completing it, I didn't think it really applied to me. Since that time, I have never had any questions about it come up, when being appointed to various companies, as an independent agent.

...

"I do apologize for the error on the application and now, as I am getting licenses from various states, now I know what I may need to comply."

CONCLUSIONS OF LAW

9. The application form's disclosure questions specifically require disclosure of insurance administrative matters.
10. Ms. Larson provided incorrect, misleading, incomplete or materially untrue information in her Maine application for nonresident producer licensing by failing to disclose the Minnesota action when she applied and certifying through the "Certification and Attestation" on the application that the information was true and complete, and has not provided an adequate legal explanation for this failure to provide accurate information.
11. The provision of incorrect, misleading, incomplete or materially untrue information in the license application constitutes grounds for denial of the license application or other appropriate action, including the imposition of a civil penalty, under 24-A M.R.S.A. §1420-K(1)(A).

COVENANTS

12. Lyla J. Larson, the Maine Bureau of Insurance, and the Maine Department of the Attorney General agree to the following.
13. 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.
14. At the time of executing this Consent Agreement, Ms. Larson will remit to the Maine Bureau of Insurance a civil penalty in the amount of \$100.00, payable to the Treasurer of the State of Maine.
15. Ms. Larson will promptly report any matters to the Maine Bureau of Insurance during all times as she 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.
16. In consideration of the applicant's execution of this Consent Agreement, the State of Maine Bureau of Insurance shall issue the Nonresident Producer License for which she has applied.

17. Ms. Larson 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.
18. In consideration of the applicant's execution of and compliance with the terms of this Consent Agreement, the Superintendent of Insurance, Bureau of Insurance, and Department of the Attorney General agree to forgo pursuing further disciplinary measures or other civil or administrative sanction for the actions described in this Consent Agreement, other than those agreed to herein. However, should Ms. Larson violate this Consent Agreement, she may be subject to any available legal remedy for the violation, including without limitation the suspension or revocation of all licenses issued to the applicant under the Maine Insurance Code.
19. Nothing in this Agreement shall affect the rights or interests of any person who is not a party to this Agreement.

Lyla J. Larson

Dated: _____, _____

Lyla J. Larson

State of Minnesota, _____, ss

Subscribed and Sworn to before me
this _____ day of _____, _____.

Notary Public

(printed name)

THE MAINE SUPERINTENDENT OF INSURANCE

Dated: December 14, 2007

Eric A. Cioppa, Acting Superintendent

FOR THE DEPARTMENT OF THE ATTORNEY GENERAL

Dated: _____, _____

Assistant Attorney General

(printed name)