

STATE OF MAINE
BUREAU OF INSURANCE

In re:

COURTNEY M. HARRIS

CONSENT AGREEMENT
AND ORDER OF THE
SUPERINTENDENT

Docket No. INS-14-226

Courtney M. Harris ("Ms. Harris), the Superintendent of the Maine Bureau of Insurance ("the Superintendent"), and the Office of the Maine Attorney General ("the Attorney General") hereby enter into this Consent Agreement pursuant to 10 M.R.S. § 8003(5)(B) to resolve, without the necessity for an adjudicatory proceeding, violations of law for which the Superintendent may impose monetary penalties pursuant to 24-A M.R.S. § 12-A.

Parties

1. The Superintendent of Insurance is the State official charged with administering and enforcing the Maine Insurance Code and regulations promulgated thereunder. The Superintendent has jurisdiction over this matter pursuant to 24-A M.R.S. §§ 12-A and 211.
2. Courtney M. Harris is a resident of Milford, Maine. She has never applied for an insurance producer license in Maine or in any other state, nor has she been licensed as an insurance producer in Maine or in any other state.

Facts

3. Jacob A. Wright was a resident licensed insurance producer in Maine from 1998 to February, 2014.
4. While Mr. Wright was a resident of Maine, he was a top producer for NaseCare an insurance agency located in Texas. He primarily sold health insurance policies by telephone, by e-mail, and via the internet. A significant part of his sales resulted from following up on "leads" that he purchased from NaseCare.
5. In mid-2011, Mr. Wright hired Ms. Harris to be his assistant. He had previously worked with Ms. Harris while they were both affiliated with another agency, Insphere Insurance Solutions, Inc.

6. Ms. Harris performed a variety of functions for Mr. Wright. One of those functions was to make initial contact with consumers, using the leads Mr. Wright purchased. She screened consumers to identify potential sales opportunities. She asked a variety of screening questions of consumers, such as whether they already had health insurance, what they paid in premium, and whether they had any pre-existing medical conditions. She set up appointments for Mr. Wright to speak to those consumers who were interested in buying health insurance.

7. Ms. Harris was employed by Mr. Wright for approximately 18 months ending in December 2012.

8. Ms. Harris received hourly pay and also received bonuses of \$25 to \$50 when she set up an appointment for Mr. Wright that resulted in an insurance sale.

9. While working for Mr. Wright, Ms. Harris falsely identified herself to consumers as "Kristi Collins." She also used an e-mail address featuring this false name (kristicollinsinsurance@gmail.com) when communicating with consumers.

10. Ms. Harris went beyond screening leads, when she spoke with consumers. She sometimes contacted insurers about consumers with particular health problems to see if the insurer would offer the consumer a health policy. She sometimes suggested certain health policies to consumers, quoted the prices of the policies, and described coverage and features of the policies.

11. On no fewer than five occasions, Ms. Harris negotiated and sold a policy or multiple policies to a consumer without any participation by Mr. Wright in the solicitation, negotiation, or sale of those policies. Although Ms. Harris negotiated and sold those policies, she used Mr. Wright's producer license number in recording the sales, and Mr. Wright was falsely described as the agent of record on the policies.

12. Ms. Harris kept track of the policies that Mr. Wright sold, the commissions he made, and which sales should result in a bonus to her. Because of this, Ms. Harris was able to make sales and earn bonuses on her own sales.

13. Ms. Harris separated from her employment with Mr. Wright in December 2012.

14. Prior to her employment by Mr. Wright, on October 5, 2010, Ms. Harris was convicted of felony theft by unauthorized taking or transfer of money from her former employer, a retail store. She was sentenced to one year in prison,

all but seven days suspended, a period of probation of two years, and she was ordered to pay \$8,279 in restitution.

15. Federal law, 18 U.S.C. § 1033, prohibits individuals convicted of any felony involving dishonesty or breach of trust from engaging or participating in the business of insurance, unless the convicted felon has obtained the written consent of an insurance regulatory official. In Maine, this requires applying for and obtaining a waiver from the Superintendent following a hearing.

16. Since her 2010 criminal conviction, Ms. Harris has neither sought nor obtained a waiver from the Superintendent allowing her to engage or participate in the business of insurance.

17. On April 23, 2014, Mr. Wright entered into a consent agreement with the Superintendent and the Attorney General. In that consent agreement, he admitted that he violated multiple provisions of the Maine Insurance Code by employing Ms. Harris and allowing her to perform functions described above in Paragraphs 6 through 12 of this Consent Agreement.

Applicable Law

18. Title 24-A M.R.S. § 1420-B provides that a person may not sell, solicit or negotiate insurance in this State for any class or classes of insurance unless the person is licensed for that line of authority in accordance with the Maine Producer Licensing Act, 24-A MR.S. §§ 1420 through 1420-P.

19. Title 24-A M.R.S. § 1420-A (13) defines “sell” as to exchange a contract of insurance by any means, for money or its equivalent, on behalf of an insurance company.

20. Title 24-A M.R.S. § 1420-A(14) defines “solicit” as attempting to sell insurance or asking or urging a person to apply for a particular kind of insurance from a particular company.

21. Title 24-A M.R.S. § 1420-A(11) defines “negotiate” as the act of conferring directly with or offering advice directly to a purchaser or prospective purchaser of a particular contract of insurance concerning any of the substantive benefits, terms or conditions of the contract, provided that the person engaged in that act either sells insurance or obtains insurance from insurers for purchasers.

22. Title 24-A M.R.S. § 1411(1) provides that a person may not act as or purport to be an insurance producer or limited insurance producer or engage in producer activities with respect to insurance risks resident, located or to be performed in this State or elsewhere for any kind or kinds of insurance

unless licensed for such a kind or kind in accordance with the Maine Producer Licensing Act, 24-A M.R.S. §§ 1420 through 1420-P.

23. Title 24-A M.R.S. § 2154 provides that a person may not make, publish, disseminate, circulate or place before the public in any way an advertisement, announcement or statement containing any assertion, representation or statement with respect to the business of insurance or with respect to any person in the conduct of that person's insurance business or with respect to the name of a financial institution in a manner that is untrue, deceptive or misleading.

24. Title 24-A M.R.S. § 1420-L(2) provides that a person may not accept a commission, service fee, brokerage or other valuable consideration for selling, soliciting or negotiating insurance in this State if that person is required to be licensed and is not so licensed.

25. Under 24-A M.R.S. § 12-A, the Superintendent may against any person issue a cease and desist order, levy a civil penalty, or elect to utilize any or all of the enforcement options available to him, for violating any insurance law or for violating any rule, regulation, subpoena, or order of the Superintendent.

26. Pursuant to 10 M.R.S. § 8003(5)(B), the Superintendent may, with the agreement of the Attorney General, execute a consent agreement that resolves a complaint or investigation without further proceedings.

Covenants

27. Ms. Harris admits the Facts stated in Paragraphs 5 through 16 above and admits that those Facts constitute a basis for imposing penalties against her because:

- a. By attempting to sell insurance to consumers she contacted and urging the consumers she contacted to apply for particular plans from particular companies, she solicited insurance sales without being properly licensed as a producer, in violation of 24-A M.R.S. § 1420-B;
- b. By advising consumers about the benefits, terms and conditions of a particular contract of insurance and by completing all communications with the consumers culminating in the sale of the policies, she negotiated and sold insurance without being properly licensed as a producer. in violation of 24-A M.R.S. § 1420-B;
- c. By engaging in the activities described in (a) and (b) above while identifying herself as "Kristi Collins" and communicating with consumers using an e-mail address kristicollinsinsurance@gmail.com, she acted as or purported to be an insurance producer without being properly licensed as a producer, in violation of 24-A M.R.S. § 1411(1);

- d. By engaging in the activities described in (a) and (b) above while identifying herself as "Kristi Collins" and communicating with consumers using an e-mail address kristicollinsinsurance@gmail.com, she represented herself as a licensed producer or an affiliate of a licensed insurance agency, which representation was untrue, deceptive and misleading, in violation of 24-A M.R.S. § 2154; and/or
- e. By accepting bonus payments related to Mr. Wright's consummation of insurance sales involving her negotiation, solicitation, or sales efforts, she accepted valuable consideration for selling, soliciting and/or negotiating insurance without being properly licensed as a producer, in violation of 24-A M.R.S. § 1420-L(2).

28. Ms. Harris agrees to the imposition of a civil penalty in the amount of One Thousand Dollars (\$1000.00). The penalty shall be paid as follows: Five Hundred Dollars (\$500.00) must be received by the Bureau no later than October 20, 2014. The remaining Five Hundred Dollars (\$500.00) must be received by the Bureau no later than December 1, 2014. The penalty payments must be made by certified check or money order made out to "Treasurer, State of Maine" and addressed to: Dyan M. Dyttmer, Esq., Maine Bureau of Insurance, 34 State House Station, Augusta, ME 04333-0034.

29. Ms. Harris agrees that she will not engage or participate in any way in the business of insurance without applying for and obtaining a waiver pursuant to 18 U.S.C. § 1033 from the Superintendent. Nothing in this agreement shall be construed to suggest or imply that if Ms. Harris applies for a waiver pursuant to 18 U.S.C. § 1033 that such a waiver will be granted, in whole or part.

30. Ms. Harris agrees that if she seeks employment in any capacity with any producer, insurance agency or insurance company she will advise the producer, insurance agency or insurance company that she was convicted of felony theft by unauthorized taking.

31. Ms. Harris agrees that she will not sell, solicit or negotiate insurance in Maine without first obtaining a producer license; that she will not through any means act as or purport to be an insurance producer without first obtaining a producer license; and that she will not accept a commission or any valuable consideration for selling, soliciting or negotiating insurance without first obtaining a producer license.

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

33. In consideration of Ms. Harris's execution of and compliance with the terms of this Consent Agreement, the Superintendent and Attorney General agree to forgo pursuing against Ms. Harris any additional penalties or other

civil or administrative sanctions available under the Maine Insurance Code for the specific misconduct described in this Consent Agreement, other than those agreed to herein. However, should Ms. Harris violate any provision of this Consent Agreement, she may be subject to any available sanction for that violation, and the Superintendent may consider such violation to constitute establishment of a pattern or course of conduct constituting an aggravating factor with respect to the choice of remedy for the violation.

34. Ms. Harris acknowledges and agrees that, when fully-executed, this Consent Agreement, and each of the Covenants herein, shall constitute an Order of the Superintendent, violation of which may be sanctioned as such.

35. This Consent Agreement is enforceable by an action in Maine Superior Court.

36. This Consent Agreement is not subject to appeal. Ms. Harris waives any right she may have to a hearing or an appeal regarding the matters that are the subject of this Consent Agreement.

37. This Consent Agreement may be modified only by a written agreement executed by all of the parties hereto. Any decision to modify any provision of this Consent Agreement rests in the discretion of the Superintendent and the Attorney General.

38. This Consent Agreement is a public record as defined by 1 M.R.S § 402(3) and will be available for public inspection and copying as provided for by 1 M.R.S § 408-A.

39. Ms. Harris agrees that she has read this Consent Agreement, that she understands this Consent Agreement, that she has reviewed the statutory provisions set forth herein, that she has had an opportunity to consult with counsel before signing this Consent Agreement, and that she enters into this Consent Agreement voluntarily and without coercion of any kind from any person.

Signatures

COURTNEY M. HARRIS

Dated: 10/7/14

By: 
COURTNEY M. HARRIS

THE MAINE SUPERINTENDENT OF
INSURANCE

Dated: 10/17/14

By: 
ERIC A. CIOPPA
Superintendent of Insurance

THE OFFICE OF THE MAINE
ATTORNEY GENERAL

Dated: 10/15/14

By: 
JAMES M. BOWIE
Assistant Attorney General