

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

In re:

Lucian Hodgman

National Producer No. 3349342

Maine License No. PRN 216011

Docket No. INS-15-216

LICENSE REVOCATION
NOTICE, ORDER,
and
OPPORTUNITY FOR
HEARING

NOTICE TO LUCIAN HODGMAN:

Effective as of July 10, 2015, your Maine non-resident insurance producer license will be **REVOKED** without further formal proceedings unless you request a hearing as specified below.

The reasons for license revocation are as follows:

1. On February 2, 2015, you and the Maine Office of Securities entered into a Consent Order, whereby your securities agent license with Moors & Cabot was revoked, your pending agent application with ICC was denied, and a civil fine of \$1,750 was imposed upon you. You failed to timely report the Consent Order as required by 24-A M.R.S. § 1420-P(2), which constitutes grounds for revocation of your Maine license under 24-A M.R.S. § 1420-K(1)(B), for violating insurance laws.
2. In the Consent Order, you admitted to the following:
 - a. Intentionally mailing 40,000 advertisements without first obtaining approval of the advertisement from your employer, Moors & Cabot, and then falsely stating to Moors & Cabot that no advertisements had gone out.
 - b. Falsely stating to Moors & Cabot that the mailing company had made a mistake, and had sent out 25-50 postcards of the mock-up advertisement.
 - c. Calling the Vice President and Compliance Officer of Moors & Cabot pretending to be ES, an employee of the mailing company, and falsely representing that (i) 50 mailers had gone out by accident through the fault of the mailing company, and (ii) the mailing company could not produce the names of the addressees because it did not maintain a mailing list.
 - d. Providing an explanation to the Office of Securities about the mailers and your false statements to Moors & Cabot about the number of mailers that

went out, but intentionally omitting from your explanation that you had impersonated ES as a part of your attempts to cover up what had actually occurred.

3. Each of the items described in Paragraph 2 constitutes grounds for revocation of your Maine license under 24-A M.R.S. § 1420-K(1)(H), for using “fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this State or elsewhere.”
4. You failed to timely report the Consent Order as required by 24-A M.R.S. § 1420-P(1), which also constitutes grounds for revocation of your Maine license under 24-A M.R.S. § 1420-K(1)(B), for violating insurance laws.
5. On March 31, 2015, your New Hampshire resident insurance producer license expired. Under 24-A M.R.S. § 1420-G(1)(A), one of the qualifications in order for a person to be issued a nonresident producer license in Maine is that the “person is currently licensed as a resident and in good standing in that person’s home state.” Therefore, you also do not meet the minimum qualifications for nonresident licensing in Maine as your New Hampshire resident insurance producer license has expired.

Therefore, based upon the above grounds, your Maine insurance producer license is **revoked** as of **July 10, 2015**, pursuant to 24-A M.R.S. §§1417 and 1420-K, subject to your right to request a hearing.

Under the Maine Insurance Code, specifically 24-A M.R.S. §1417 and §1420-K, you have the right to a hearing before the Superintendent or his designee. If you request a hearing, you will have the right to present evidence and arguments in your defense, and the staff of the Bureau of Insurance will bear the burden of proving each violation by a preponderance of evidence.

If you request a hearing, you will receive further communication regarding scheduling. The matters to be determined through the hearing process are whether you committed one or more of the violations listed above, and if so, the appropriate sanctions for those violations. The sanctions imposed after a hearing can include any available remedy under applicable laws, including the payment of civil penalties.

To request a hearing, you must notify the Bureau of Insurance in writing no later than July 10, 2015. If you do not file a written request for a hearing within 30 days from the time you knew or reasonably should have known of the revocation of your license through this Notice and Order, you will lose your right to request a hearing on this license revocation Notice and Order.

Any request for a hearing, as well as all other communications regarding this Notice, Order, and Opportunity for Hearing must be addressed to Bureau Licensing Attorney

Kristina M. Balbo, Bureau of Insurance, #34 State House Station, Augusta, Maine 04333-0034 (for US Postal Service deliveries) or 76 Northern Avenue, Gardiner, Maine 04345 (for private carrier deliveries, such as FedEx or UPS). You may also reach Attorney Balbo by e-mail at kristina.m.balbo@maine.gov or by telephone at (207) 624-8429.

June 4, 2015



Eric A. Cioppa
Superintendent of Insurance