

STATE OF NEW HAMPSHIRE
INSURANCE DEPARTMENT

In Re: Derrick H. Kane

Docket No. Ins. 12-038-EP

Consent Order and Agreement

Derrick H. Kane ("Mr. Kane") hereby stipulates, consents, and agrees with the New Hampshire Insurance Department ("NHID") as follows:

I. FACTS

1. Mr. Kane submitted his application for his initial New Hampshire insurance producer license on September 9, 2011. Question 1 of the background questions on the application asked: "Have you ever been convicted of a crime, had a judgment withheld or deferred, or are you currently charged with committing a crime?" Mr. Kane answered this question "No."

2. Mr. Kane's application was subsequently approved, and he was licensed to sell, solicit and negotiate life, accident and health insurance in New Hampshire.

3. A year later, on September 14, 2012, Mr. Kane submitted an amended insurance producer's application in which Mr. Kane sought licensure to sell variable life insurance products. Question 1 of the background questions on the amended application again asked: "Have you ever been convicted of a crime, had a judgment withheld or deferred, or are you currently charged with committing a crime?" However, Mr. Kane answered this question "Yes," and he attached to the amended application a 2002 arrest record issued by the University of New Hampshire's campus police, as well as a brief statement explaining the circumstances of his arrest and misdemeanor conviction for disorderly conduct.

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4. Mr. Kane was summoned to the NHID on November 1, 2012 to explain why he had neglected to disclose the misdemeanor conviction on his 2011 insurance producer's application. Mr. Kane explained that his father, a federal law enforcement official, advised him that it was not necessary to disclose the conviction because it had been "expunged." Mr. Kane further explained that he first discovered this was not the case when he applied for a position and was questioned by the prospective employer about the ten-year old conviction. At that point, Mr. Kane realized the conviction had not, in fact, been "expunged."

5. RSA 402-J:12, I (a) provides:

I. The commissioner may place on probation, suspend, revoke, or refuse to issue or renew an insurance producer's license, or may levy a penalty in accordance with RSA 400-A:15, III or any combination of actions for any one or more of the following causes"

(a) Providing incorrect, misleading, incomplete, or materially untrue information in the license application.

6. By failing to disclose his misdemeanor conviction on his September 9, 2011 insurance producer's application, Mr. Kane provided incorrect information in his application, thereby violating RSA 402-J:12, I (a). Although Mr. Kane's explanation regarding why he provided incorrect information in his application is credible, it was nevertheless Mr. Kane's responsibility to ensure that all the information on his application was accurate. He failed to fully meet that responsibility.

7. Mr. Kane desires to resolve this matter by entering into this Consent Order and Agreement ("Consent Order") in lieu of proceeding with a formal hearing.

II. AGREED ORDER

8. Mr. Kane knowingly waives the statutory right to a hearing on this matter.

9. Mr. Kane agrees to pay a fine in the amount of \$250.00. The check shall be made payable to "Treasurer, State of New Hampshire," and shall be remitted to the NHID no later than December 1, 2012. Mr. Kane's failure to remit payment of the fine by that date may result in rescission of this Consent Order and Agreement and in the institution of an administrative proceeding against Mr. Kane.

10. The NHID and Mr. Kane agree that all insurance regulatory issues relating to the aforementioned violation are fully resolved. However, nothing herein shall prohibit the use of this Order in any future enforcement actions brought by the NHID based upon subsequent matters relative to Mr. Kane's compliance with New Hampshire insurance law.

IT IS SO ORDERED.

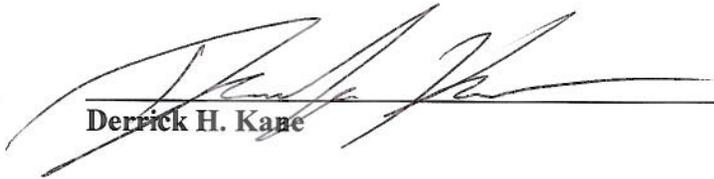
New Hampshire Insurance Department

Dated: 11-5-12



Roger A. Sevigny, Commissioner

Dated: 11/2/2012



Derrick H. Kane