

STATE OF NEW HAMPSHIRE

INSURANCE DEPARTMENT

In re: Justin R. Nicpon

Docket No.: INS No. 16-016-EP

ORDER TO SHOW CAUSE

AND

NOTICE OF HEARING

The New Hampshire Insurance Department (NHID) orders Justin R. Nicpon (“Respondent”) to show cause why the NHID should not revoke his New Hampshire insurance producer license or levy an administrative fine against him or both. In support of the Order to Show Cause and pursuant to RSA 541-A:31, RSA 400-A:17 and Ins Part 200, the NHID states as follows:

STATEMENT OF FACTS

1. Prior to the expiration of his nonresident New Hampshire insurance producer license on May 31, 2015, the Respondent was licensed to sell personal lines insurance in New Hampshire. The Respondent was a resident insurance producer of the State of New York.
2. At all relevant times, the Respondent was employed by the Government Employees Insurance Company (GEICO) as an appointed insurance producer. However, GEICO terminated the Respondent on March 27, 2014 for cause because he falsified

underwriting factors on an application for automobile insurance in order to obtain a lower premium for a customer, who also happened to be the Respondent's friend.

3. Two days prior to his employment termination, in correspondence dated March 25, 2014 addressed to "To Whom It May Concern," the Respondent admitted he had falsified the disputed application for the purpose of obtaining a reduced premium for a friend.

4. The New York State Department of Financial Services (NYDFS) subsequently investigated the matter of the Respondent's falsification of underwriting factors on the application and scheduled an administrative hearing for November 19, 2014. The Respondent failed to appear for the hearing, and on June 9, 2015, the NYDFS issued a Final Determination and Order revoking the Respondent's resident New York insurance producer license.

STATEMENT OF ISSUES

5. Whether the Respondent falsified underwriting information on an automobile application in order to obtain a lower premium for a friend.

6. Whether the Respondent misrepresented the terms of an application for insurance.

7. Whether the Respondent made false or fraudulent statements or representations relative to an application for insurance for the purpose of obtaining a benefit from an insurer.

8. Whether the Respondent employed any device, scheme or artifice to defraud.

9. Whether the NYDFS revoked the Respondent's resident New York insurance producer license.

10. The NHID reserves the right to amend this statement of issues upon reasonable notice to the Commissioner (or his designated Representative) and the Respondent.

NEW HAMPSHIRE INSURANCE LAWS VIOLATED BY RESPONDENT

11. The NHID maintains the Respondent violated the following New Hampshire insurance law statutes: RSA 402-J:12, I (h); RSA 402-J:12, I (i); RSA 402-J:12, I (e); RSA 417:4, I (f); RSA 417:4, II; and RSA 402-J:12, I (b)
12. The NHID reserves the right to amend this list of insurance laws violated by the Respondent upon reasonable notice to the Commissioner (or his designated Representative) and the Respondent.

PENALTY REQUESTED

13. In the event the Hearing Officer determines after evidentiary hearing that the NHID sustained its burden of proof with respect to the allegations of fact and violations of law outlined above, the NHID requests that the Hearing Officer impose the following sanctions on the Respondent:
 - a. Order revocation of the Respondent's New Hampshire insurance producer license; and
 - b. Order the Respondent to pay a fine in the amount of \$2,500 per violation, for a total fine of \$15,000.

NOTICE OF HEARING

- A. Pursuant to RSA 541-A:31 and Ins Part 200, the hearing in this matter shall commence on April 20, 2016 at 9:00 a.m. at the offices of the Department, which are located at 21 South Fruit Street, Suite 14 in Concord, New Hampshire.
- B. Heather Silverstein shall preside as the Hearing Officer in this matter. Sarah Prescott shall serve as clerk to the Hearing Officer. The parties should direct all communications to Ms. Prescott, whose contact information is:

Sarah Prescott, Clerk
New Hampshire Insurance Department
21 South Fruit Street, Suite 14
Concord, NH 03301
Tel: (603) 271-2261
Fax: (603)271-1406
Email: sarah.prescott@ins.nh.gov

C. The Respondent has the right to be represented by a lawyer in this proceeding. However, the Respondent shall bear the cost of retaining said lawyer. Should the Respondent elect to retain a lawyer, his lawyer shall file a Notice of Appearance with Ms. Prescott, and said lawyer should do so at the earliest possible date. A copy of the Department's Notice of Appearance is enclosed with this Order.

D. Any party may request a transcript of the proceeding. The party requesting a transcript of the proceedings shall file a written request for a certified court reporter with the Hearing Officer at least 10 days prior to the scheduled hearing date. The costs incurred for the services of a certified court reporter shall be borne by the requesting party.

E. Richard P. McCaffrey, Esq. and Mary C. Bleier, Esq. shall serve as staff advocates representing the interests of the NHID.

It is **SO ORDERED**.

NEW HAMPSHIRE INSURANCE DEPARTMENT

Date: 3-24-16

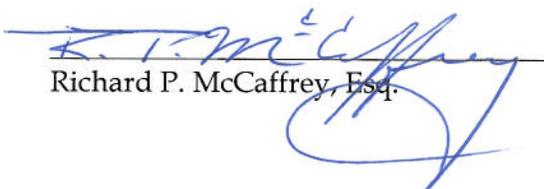


Roger A. Sevigny, Insurance Commissioner

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and accurate copy of the foregoing Order to Show Cause and Notice of Hearing was sent this date by first-class mail, postage prepaid, and by certified mail, return receipt requested, to Justin R. Nicpon, 64 Raintree IS Apt. 8 Tonawanda, NY 14150-2761 this being his mailing address on file with the Department.

Date: 3/24/2016


Richard P. McCaffrey, Esq.