



**THE STATE OF NEW HAMPSHIRE
INSURANCE DEPARTMENT**

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CONCORD, NEW HAMPSHIRE 03301

NH INSURANCE DEPARTMENT
2014 JUN 30 AM 11:48

Roger A. Sevigny
Commissioner

Alexander K. Feldvebel
Deputy Commissioner

**The State of New Hampshire
Insurance Department**

Ins No.: 14- 017 -EP

In Re: Michael J. Davey

CONSENT ORDER

This Consent Order is made between the New Hampshire Insurance Department ("NHID") and Michael J. Davey ("Respondent"):

1. The Respondent is a resident New Hampshire insurance producer.
2. On February 27, 2014 Respondent signed a Consent Order ("Order") with the State of New Hampshire Department of State, Bureau of Securities Regulation ("Bureau"). This Order was executed by the Bureau on March 6, 2014. The basis for the Order was that, (i) Respondent had falsified an automatic withdrawal form that authorized an insurance company to withdraw money from a client's account to pay insurance premiums and, (ii) Respondent signed the name of a client on an "illustration" of an insurance policy that he recommended to a client and then submitted that document to the insurance company. Respondent agreed to a one year suspension of his securities license in New Hampshire.
3. This action was not reported to the NHID within 30 days of the final disposition of the matter as required by RSA 402-J:17, I.
4. Respondent signed a Financial Industry Regulatory Authority ("FINRA") Notice of Acceptance, Waiver and Consent on October 23, 2013. This Consent Order was executed by

FINRA on October 29, 2013. The basis for the Consent Order was that, (i) Respondent cut and pasted a client's signature on an automatic withdrawal form that authorized an insurance company to withdraw money from a client's account to pay insurance premiums and, (ii) Respondent signed the name of a client on September 16, 2009 and again on October 5, 2009 to an "illustration" of an insurance policy that he recommended to a client and then submitted that document to the insurance company. Respondent admitted that he did not have authorization or consent to affix their names to the forms. Respondent agreed to a three month suspension from associating with any FINRA member firm in any capacity and a fine of \$5,000.

5. The acts of Respondent in falsifying the name of a client to an automatic withdrawal form and signing the name of a different client to two sales "illustrations" evidence untrustworthiness in the conduct of the business of insurance. These are grounds for administrative action under RSA 402-J:12, I, (h).

6. The insurance company conducted an investigation and found that the Respondent falsified a client's signature on an automatic withdrawal form but the form was never used. In a different client file the investigation found three sales illustrations prepared by the Respondent. The first was signed by the insured but contained an error. It was redone to correct the error but was signed by the Respondent and not the client. It too contained an error. The illustration was redone and the Respondent again signed the client's name to the illustration.

7. The insurance company conducted a review of the Respondent's other business files and did not find any instances of business irregularities. There was no indication of any consumer harm due to the falsification of the automatic withdrawal form or the falsification of the two illustrations. A check of NHID records revealed no other administrative actions by any other state or jurisdiction.

WHEREFORE, upon consent of the NHID and the Respondent, it is hereby agreed and ordered:


- A. The Respondent admits to the facts as stated above. The foregoing recitals are hereby adopted, incorporated into and made a part of this Consent Order.
- B. The Respondent waives his statutory right to an adjudicative hearing in this matter.
- C. By entering into this Consent Order, the NHID and the Respondent intend to resolve all issues relating to the above-referenced matters. This Consent Order shall be deemed a full and final resolution and is in lieu of any other action that could have been brought by the NHID relating to matters disclosed herein.
- D. Respondent agrees to a suspension of his insurance producer's license for a period of six months beginning on the date this Consent Order is signed by the Insurance Commissioner.
- E. This Consent Order shall be fully enforceable in any Superior Court in the State of New Hampshire and shall be governed by the laws of the State of New Hampshire.

It is **SO ORDERED**.

New Hampshire Insurance Department

Dated:

6-30-14



Roger A. Sevigny, Commissioner

Dated:

6-27-14



Michael J. Davey