

**STATE OF NEW HAMPSHIRE
INSURANCE DEPARTMENT**

**In re: Rolando X. Reyes
Docket No.: INS No. 17-003-EP**

**ORDER TO SHOW CAUSE
AND NOTICE OF HEARING**

The New Hampshire Insurance Department, (“NHID”) orders Rolando X. Reyes (“Respondent”) to show cause why the New Hampshire Insurance Commissioner should not suspend or revoke his non-resident New Hampshire insurance producer license, or levy an administrative fine, or both. In support of this Order to Show Cause and pursuant to RSA 541-A:31, RSA 400-A:17 *et seq.* and Ins Part 200, the NHID states as follows:

I. Statement of Facts

1. The Respondent is a resident Florida insurance producer and a non-resident New Hampshire producer, licensed to sell life, accident and health insurance, as well as variable annuities.
2. The Respondent first obtained producer licensure in New Hampshire on September 25, 2013.
3. On November 26, 2013, just two months after obtaining his New Hampshire producer license, the State of Wisconsin denied the Respondent’s application for an intermediary agent’s surplus lines insurance license. About a week later, Wisconsin also denied the Respondent’s application for a life settlement broker’s insurance license. In both instances, the denials of licensure were based on the Respondent’s failure to provide the Wisconsin Office of the Commissioner of Insurance with certain requested information. (Copies of the Wisconsin

denials of November 26, 2013 and December 4, 2013 are attached hereto as NHID Exhibits A and B, respectively.)

4. The Respondent failed to report the Wisconsin license denials within thirty days of their respective issuance.

5. The Respondent's initial New Hampshire license was scheduled to lapse on September 30, 2015, and, indeed, the Respondent allowed his New Hampshire license to expire, only to apply for reinstatement on January 13, 2016.

6. Background Question 2 of the application for reinstatement stated: "*Have you ever been named or involved as a party in an administrative proceeding, including FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration?*" The Respondent answered this question, "*No.*"

7. Further, on May 20, 2016, the State of Oregon revoked the Respondent's non-resident Oregon insurance producer license. The Oregon revocation was based on the Respondent's failure to report the two Wisconsin license denials to the Oregon Department of Consumer and Business Services Division of Financial Regulation. (A copy of the Oregon revocation order is attached hereto as NHID Exhibit C.)

8. The Respondent never reported the Oregon revocation to the NHID.

9. Subsequent to its discovery of the Oregon Revocation, the NHID Enforcement Unit attempted several times, both in writing and by telephone, to contact the Respondent to obtain certain information and documents about the Wisconsin and Oregon administrative actions. Although the Respondent responded to one such email, in the end he failed to produce the information and documents the NHID had requested.

II. Statement of Issues

1. Whether the Respondent provided incorrect, misleading, incomplete or materially untrue information in his January 13, 2016 application for reinstatement of his non-resident New Hampshire insurance producer license.
2. Whether the State of Wisconsin denied licensure to the Respondent.
3. Whether the State of Oregon revoked the Respondent's non-resident Oregon insurance producer license.
4. Whether the Respondent failed to timely report the Wisconsin and Oregon administrative actions to the NHID.
5. Whether the Respondent failed to produce to the NHID information or documents he was legally required to produce.
6. The NHID reserves the right to amend this Statement of Issues upon reasonable notice to the Respondent and the Commissioner (or his designated representative).

III. Statement of New Hampshire Insurance Laws Allegedly Violated by Respondent

1. The NHID alleges the Respondent violated the following statutes: RSA402-J:12, I (a); RSA402-J:12, I (i); RSA402-J:17, I; and RSA 400-A:16, II.
2. The NHID reserves the right to amend this Statement of New Hampshire Insurance Laws Allegedly Violated by Respondent upon reasonable notice to the Respondent and the Commissioner (or his designated representative).

IV. Sanctions Requested

In the event the Hearing Officer determines after evidentiary hearing that the NHID has 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 permanent 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 alleged in this Order to Show Cause and proven during the adjudicative hearing.

V. Notice of Hearing

A. Pursuant to RSA 541-A:31, RSA 400-A:17 *et seq.* and Ins Part 200, the hearing in this matter shall commence on April 4, 2017 at 9:00 a.m. at the offices of the NHID, located at 21 South Fruit Street, Suite 14 in Concord, New Hampshire.

B. The Commissioner or his designated representative 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) 271-3898
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 NHID'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 proceeding 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: 1-20-17

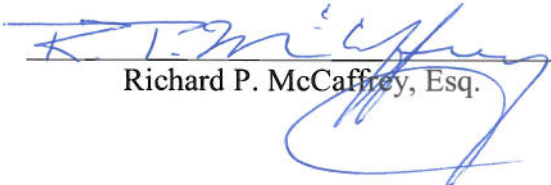


Roger A. Sevigny, Commissioner

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 Rolando X. Reyes, 12653 Telecom Drive, Suite 100, Tampa, FL 33637 this being the mailing address on file with the Department.

Date: 1/23/16



Richard P. McCaffrey, Esq.

TAB A



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Scott Walker, Governor
Theodore K. Nickel, Commissioner

Wisconsin.gov

November 26, 2013

AGENT LICENSING SECTION
P.O. Box 7872
Madison, Wisconsin 53707-7872
(608) 266-8699 • Fax: (608) 267-9451
E-Mail: ociagentlicensing@wisconsin.gov
Web Address: oci.wi.gov

Reyes, Rolando Xavier
13-C35841
Ex: West, Richard B
Lynn A
Closed: 01-02-2014
Atty: Welsh-Steinmeyer,

ROLANDO XAVIER REYES
12653 TELECOM DRIVE SUITE 100
TAMPA FL 33637

Re: Case No. 13-C35841

The Office of the Commissioner of Insurance has completed its investigation of your application dated September 25, 2013, for a permanent individual intermediary agent's surplus lines insurance license and has decided to deny that application. The decision to deny your license application is based on the following:

You have not responded promptly to previous written requests for information from the Commissioner of Insurance regarding your application. Section 601.42, Wis. Stat., and s. Ins 6.59 (d), Wis. Adm. Code, provide that applications can be denied for failure to provide information promptly or for incomplete application.

You have not provided proof of equivalent surplus lines licensing in your resident state. Section Ins 6.59(4)(am), Wis. Adm. Code states that an application for a non-resident intermediary agent's license consists of payment of the fees, and confirmation of license status or an original certificate of licensing from the state of residence.

Because of the above reasons, OCI cannot grant this license to you. If you want to contest this denial, OCI must receive a written petition for a hearing within 30 days of the date of this letter pursuant to s.601.62 (3), Wis. Stat. The petition must include all of the following:

1. Your name, current address and phone number.
2. The following statement: "I am requesting a hearing." Provide the date of your petition and the case number listed above.
3. A concise explanation of each basis for which you believe the denial should be withdrawn or modified.
4. If you choose to hire an attorney, the name, address and phone number of the attorney who will appear representing you.

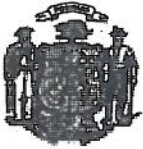
This license denial is an administrative action and will be reported to other states. You should check with each state that you are licensed in to see if you are required to report this administrative action. This administrative action should be disclosed on future applications.

Sincerely,

A handwritten signature in black ink, appearing to be the initials 'RW' with a stylized flourish.

Richard West
Consumer Protection Investigator
Agent Licensing Section

TAB B



State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

Scott Walker, Governor
Theodore K. Nickel, Commissioner

Wisconsin.gov

December 4, 2013

AGENT LICENSING SECTION
P.O. Box 7872
Madison, Wisconsin 53707-7872
(608) 266-8699 • Fax: (608) 287-9451
E-Mail: oclagentlicensing@wisconsin.gov
Web Address: ocl.wi.gov

Reyes, Rolando Xavier
13-C35857
Ex: West, Richard B
Lynn A
Atty: Welsh-Steinmeyer,
Closed: 01-06-2014

ROLANDO XAVIER REYES
12653 TELECOM DR SUITE 100
TAMPA FL 33637

Re: Case No. 13-C35857

The Office of the Commissioner of Insurance has completed its investigation of your application dated September 25, 2013, for a Life Settlement Broker's insurance license and has decided to deny that application. The decision to deny your license application is based on the following:

You have not responded promptly to previous written requests for information from the Commissioner of Insurance regarding your application. Section 601.42, Wis. Stat., and s. Ins 6.59 (d), Wis. Adm. Code, provide that applications can be denied for failure to provide information promptly or for incomplete application.

Because of the above reasons, OCI cannot grant this license to you. If you want to contest this denial, OCI must receive a written petition for a hearing within 30 days of the date of this letter pursuant to s.601.62 (3), Wis. Stat. The petition must include all of the following:

1. Your name, current address and phone number.
2. The following statement: "I am requesting a hearing." Provide the date of your petition and the case number listed above.
3. A concise explanation of each basis for which you believe the denial should be withdrawn or modified.
4. If you choose to hire an attorney, the name, address and phone number of the attorney who will appear representing you.

This license denial is an administrative action and will be reported to other states. You should check with each state that you are licensed in to see if you are required to report this administrative action. This administrative action should be disclosed on future applications.

Sincerely,

Richard West
Consumer Protection Investigator
Agent Licensing Section

TAB C

1
2 STATE OF OREGON
3 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
4 DIVISION OF FINANCIAL REGULATION

4 In the Matter of:

Case No. INS-16-0098

5 ROLANDO X. REYES,

FINAL ORDER

6 Applicant.

7
8 On March 16, 2016, the Director of the Department of Consumer and Business
9 Services (“Director”), by and through the Division of Financial Regulation (“Division”),
10 properly served notice (“Notice”) on Rolando X. Reyes (“Applicant”) that the Director
11 intended to issue an order revoking Applicant’s nonresident insurance producer license.

12 The Notice offered Applicant an opportunity for a hearing if requested within 20
13 days of service of the Notice. The Notice further informed Applicant that if a hearing
14 was not conducted because Applicant did not timely request a hearing or otherwise
15 defaulted, then the designated portion of the Division’s file and all materials submitted by
16 Applicant in this case would automatically become part of the contested case record for
17 the purpose of proving a prima facie case.

18 The Director did not receive from Applicant a request for a hearing and did not
19 conduct a hearing.

20 The Director finds that the record of this proceeding proves a prima facie case.

21 NOW THEREFORE, after considering the relevant portions of the Division’s file
22 relating to this matter, the Director finds and orders as follows.

23 FINDINGS OF FACT

24 The Director FINDS that:

25 1. Applicant has been licensed in Oregon since September 25, 2013. Applicant
26 applied for renewal of his Oregon nonresident insurance producer license (“License”) on

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387



1 or around January 4, 2016. The License was renewed on January 4, 2016.

2 2. As part of the application process, Applicant completed and submitted to the
3 Division of Financial Regulation (“Division”) an application form indicating that he had
4 never been named or involved as a party in an administrative proceeding.

5 3. During review of the application, the Division learned that Applicant was
6 involved in two administrative proceedings in Wisconsin in or around January 2014,
7 resulting in two denials of license applications.

8 4. On January 20, 2016, the Division sent a letter to Applicant requesting a copy
9 of the Wisconsin administrative orders and an explanation surrounding the incidents.
10 The Division set a response deadline of February 10, 2016. Applicant did not respond to
11 the Division’s request.

12 5. On March 16, 2016, the Division properly served notice on Applicant that the
13 Director intended to revoke Applicant’s nonresident insurance producer license.
14 Applicant had 20 days to timely request a hearing. The Division did not receive a request
15 for hearing from Applicant.

16 **CONCLUSIONS OF LAW**

17 The Director CONCLUDES that:

18 6. Accurate information about an applicant’s history of administrative action is
19 material to the Director’s decision whether to issue a License.

20 7. Applicant’s statement on his application that he has never been named or
21 involved in an administrative proceeding was incorrect, misleading or materially untrue.

22 8. Under ORS 744.074(1)(a) the Director may revoke an insurance producer
23 license if an applicant provides incorrect, misleading, incomplete or materially untrue
24 information in a license application.

25 9. Under ORS 744.089(1), an insurance producer must report to the Director any
26 administrative action taken against the insurance producer in another jurisdiction not later

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1 than the 30th day after the final disposition of the matter.

2 10. Applicant violated ORS 744.089(1) when he failed to report the 2014
3 Wisconsin actions to the Director.

4 11. Under ORS 744.074(1)(b) the Director may revoke an insurance producer
5 license if an applicant violates any insurance law.

6 **ORDERS**

7 Now, therefore, the Director issues the following Orders:

8 12. As authorized by ORS 731.252(1), the Director ORDERS Applicant to
9 CEASE AND DESIST from violating any provision of the Insurance Code or the
10 administrative rules promulgated thereunder.

11 13. The Director, pursuant to ORS 744.074(1), hereby REVOKES Applicant's
12 nonresident insurance producer license.

13
14 SO ORDERED this 20th day of May, 2016.

15 PATRICK M. ALLEN, Director
16 Department of Consumer and Business Services

17 /s/ David Tatman
18 David C. Tatman, Chief of Enforcement
19 Division of Financial Regulation

20 **NOTICE OF RIGHT TO JUDICIAL APPEAL**

21 You are entitled to judicial review of this order in accordance with ORS 183.482.

22 You may request judicial review by filing a petition with the Court of Appeals in Salem,
23 Oregon, within 60 days from the date this order is served.

24 *[The remainder of this page intentionally left blank.]*
25
26

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350 Winter Street, NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

