

**In re:
Shields & Associates
Insurance Agency, Inc.**

**STATE OF MAINE
BUREAU OF INSURANCE**

**Docket No. INS-08-202
CONSENT AGREEMENT**

This document is a Consent Agreement authorized by Title 10 M.R.S.A. § 8003(5), entered into among Shields & Associates Insurance Agency, Inc. a Massachusetts corporation; the Maine Superintendent and Bureau of Insurance; and the Maine Department of the Attorney General. Its purpose is to resolve, in lieu of an adjudicatory proceeding, issues implicating Title 24-A M.R.S.A. §1417(1) and §1420-K(1)(A).

STATEMENT OF FACTS

1. The Superintendent of Insurance is the official charged with administering and enforcing Maine's insurance laws and regulations, and the Bureau of Insurance is the administrative agency with such jurisdiction.

Business entity application

2. Shields & Associates Insurance Agency, Inc. applied for a Maine Nonresident Business Entity Producer License in November, 2006.
3. Item 2 of the background questions on the application form electronically filed in connection with this application required a response to the following question:

“Has the business entity or any owner, partner, officer or director, or manager or member of a limited liability company, ever been involved in an administrative proceeding regarding any professional or occupational license, or registration?”

4. The applicant answered “Yes” to Item 2.
5. The application included a statement from the applicant's President regarding a 1993 action in the State of Connecticut, indicating that he had previously been unaware of the action until it was recently brought to his attention.
6. The application included the applicant's electronic Certification and Attestation, under the statement:

“All of the information submitted in this application and attachments is true and complete and I am aware that submitting false information or omitting pertinent or material information in connection with this application is grounds for license or registration revocation and may subject me and the business entity to civil or criminal penalties.”

Failure to disclose administrative proceedings

7. In August 2006, the Maine Superintendent of Insurance and Bureau of Insurance, and the Department of the Attorney General, had entered into a consent agreement with the applicant's President based upon his failure to disclose the above 1993 Connecticut

action in his individual application for producer license, and asserting that he was unaware of the action. The consent agreement was based both upon the nondisclosure and upon misrepresentation, given that his signature appeared on the Connecticut consent agreement.

8. In connection with the 2006 application of Shields & Associates Insurance Agency, Inc., staff of the Maine Bureau of Insurance discovered through its application review process that in September 2006, the applicant's President had also been the subject of a \$500 fine in New York, for failing to disclose the same 1993 Connecticut matter that he had failed to disclose in the Maine application as described in Paragraph 7 above.
9. The Supervisor of Licensing for the Maine Bureau of Insurance requested an explanation for the applicant's failure to disclose the New York matter, and reminded the applicant that it also should have disclosed the Maine consent agreement when it applied.
10. The applicant's reply included documentation for the New York matter, and stated, with regard to the nondisclosure in the application:

"... I guess I did not think that as the license was for the corporation that I personally had to put information in that related to me. I assumed that as the license was for the corporation and there have been no filings or actions against the corporation that I did not have to include information that was about just me. For that I apologize as again, it is a corporate license not personal."

CONCLUSIONS OF LAW

11. The application form's disclosure questions specifically require disclosure of insurance administrative matters. Shields & Associates Insurance Agency, Inc. provided incorrect, misleading, incomplete or materially untrue information in its Maine application for nonresident producer business entity licensing by failing to disclose the New York administrative action when it applied, and by certifying that the information was true and complete, and the applicant has not provided an adequate legal explanation for this failure to provide accurate information or to answer the item on the application correctly.
12. The provision of incorrect, misleading, incomplete or materially untrue information in the license application constitutes grounds for denial of the license application or other appropriate action, including the imposition of a civil penalty, under 24-A M.R.S.A. §1420-K(1)(A).

COVENANTS

13. Shields & Associates Insurance Agency, Inc., the Maine Superintendent and Bureau of Insurance, and the Maine Department of the Attorney General agree to the following.
14. This Consent Agreement is entered into in accordance with 10 M.R.S.A. § 8003(5)(B) and is not subject to review or appeal. This Consent Agreement is enforceable by an action in the Superior Court.
15. At the time of executing this Consent Agreement, Shields & Associates Insurance Agency, Inc. will remit to the Maine Bureau of Insurance a civil penalty in the amount of \$100.00, payable to the Treasurer of the State of Maine.

16. Shields & Associates Insurance Agency, Inc. will promptly report any matters to the Maine Bureau of Insurance during all times as it is licensed through the Bureau, to the extent such reporting is required under the Maine Insurance Code, and will comply in all other respects with the provisions of the Maine Insurance Code, as applicable.
17. In consideration of the applicant's execution of this Consent Agreement, the State of Maine Bureau of Insurance shall issue the Nonresident Producer Business Entity License for which it has applied.
18. Shields & Associates Insurance Agency, Inc. understands and acknowledges that this Agreement will constitute a public record within the meaning of 1 MRSA § 402, and will be available for public inspection and copying as provided for by 1 MRSA § 408, and will be reported to the NAIC "RIRS" database.
19. In consideration of the applicant's execution of and compliance with the terms of this Consent Agreement, the Superintendent of Insurance, Bureau of Insurance, and Department of the Attorney General agree to forgo pursuing further disciplinary measures or other civil or administrative sanctions for the actions described in this Consent Agreement, other than those agreed to herein, and to issue the license applied for. However, should Shields & Associates Insurance Agency, Inc. violate this Consent Agreement, it may be subject to any available legal remedy for the violation, including without limitation the suspension or revocation of all licenses issued to the applicant under the Maine Insurance Code.
20. Nothing in this Agreement shall affect the rights or interests of any person who is not a party to this Agreement.

Executed by:

Dated: _____, _____

Shields & Associates Insurance Agency, Inc.

By:

(printed name)

Its: _____

Commonwealth of Massachusetts, _____, ss

Subscribed and Sworn to before me

Notary Public

this _____ day of _____, _____.

(printed name)

THE MAINE SUPERINTENDENT OF INSURANCE

Dated: _____, _____

FOR THE DEPARTMENT OF THE ATTORNEY GENERAL

Dated: _____, _____

Assistant Attorney General

(printed name)