

STATE OF MAINE  
DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION  
BUREAU OF INSURANCE

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*In re:*

**Martin Shirman**

**Docket No. INS-18-218**  
**NPN Number: 3666586**

**LICENSE DENIAL  
NOTICE, ORDER,  
and  
OPPORTUNITY FOR  
HEARING**

***NOTICE TO MARTIN SHIRMAN:***

Effective as of **October 9, 2018**, the Maine Superintendent of Insurance denies your July 30, 2018, application for licensure in Maine as a nonresident insurance producer. The reasons for denial are set forth below:

1. On or around November 5, 2012, you pled guilty to one count of Bank Fraud and Aiding and Abetting in the United States District Court in the Eastern District of Pennsylvania. This conviction was the result of you knowingly depositing into your business account a counterfeit check in the amount of \$24,410 on or around August 30, 2010, and withdrawing the funds before the bank became aware that the check was not legitimate. This conviction constitutes grounds for denial of your application for Maine licensure under 24-A M.R.S. § 1420-K(1)(F), for having been convicted of a criminal offense as provided in 5 M.R.S. § 5301(2)(D). Under 5 M.R.S. §§ 5301 & 5303, a licensing agency may consider a felony conviction if the conviction involves dishonesty or false statement for a period of three years from the applicant's discharge from the criminal system. Section 5303(1) provides that there is no time limitation for consideration of an applicant's conduct which gave rise to the criminal conviction if that conduct is otherwise a ground for disciplinary action against the licensee. Your conduct is otherwise grounds for disciplinary action pursuant to 24-A M.R.S. §§ 1420-K(1)(H) for using fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this State.
2. By Consent Order dated December 5, 2012, the Commonwealth of Pennsylvania revoked your producer license and that of your agency, Martin Shirman Agency, LLC. This revocation related to your criminal conviction as well as a finding that, between August, 2011 and March 2012, you submitted applications for insurance containing inaccurate, false, and misleading credit scoring information and improperly placed policyholders in better rating tiers which resulted in applicants receiving more favorable rates than they were qualified to receive. This revocation is grounds for the denial of your Maine producer application pursuant to 24-A M.R.S. § 1420-K(1)(I) for having an insurance producer license, or its equivalent, denied, suspended or revoked in any other state, province, district or territory.
3. The conduct described in Paragraph Two represents additional grounds for the denial of your Maine producer application for using fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial

irresponsibility in the conduct of business in this State or elsewhere. See 24-A M.R.S. § 1420-K(1)(H).

4. You applied for licensure in the State of Maine on July 30, 2018. While you did properly disclose your felony conviction, you answered “No” to the following background question on the electronic application form: “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 application explains that “[i]nvolved’ also means being named as a party to an administrative or arbitration proceeding, which is related to a professional or occupational license, or registration.”
5. The application included your “Certification and Attestation” with the statement:  
“I hereby certify that, under penalty of perjury, all of the information submitted in this application and attachments is true and complete. I am aware that submitting false information or omitting pertinent or material information in connection with this application is grounds for license revocation or denial of the license and may subject me to civil or criminal penalties.”
6. By failing to disclose the existence of the Pennsylvania administrative action at the time of application, while certifying that the information was true and complete, you attempted to obtain your license based in part upon incorrect, misleading, incomplete or materially untrue information in your Maine application. Title 24-A M.R.S. § 1420-K(1)(A) provides that the Superintendent may place on probation, suspend, revoke or refuse to issue or renew an insurance producer’s license or may levy a civil penalty in accordance with section 12-A, or take any combination of such actions, for providing incorrect, misleading, incomplete or materially untrue information in the license application.
7. Based on the conduct underlying your criminal conviction, as described in Paragraph One; the nature of your actions that resulted in the revocation of your home state license, as described in Paragraph Two; and your failure to disclose the administrative action, as described in Paragraphs Four and Five, the Superintendent finds that you have not been sufficiently rehabilitated to warrant the public trust, within the meaning of 5 M.R.S. § 5302.

Based upon the above grounds, your July 30, 2018, application for a Maine insurance producer license is **denied** as of **October 9, 2018**, pursuant to 24-A M.R.S. §§ 1417 and 1420-K.

**Under the Maine Insurance Code, specifically 24-A M.R.S. § 1417 and § 1420-K, you have the right to a hearing before the Superintendent or his designee to appeal this denial. If you request a hearing, you will have the right to present evidence and arguments in your defense and you will bear the burden of proof to show that the Superintendent’s denial was not reasonable.**

**If you request a hearing, you will receive further communication regarding scheduling. The matters to be determined through the hearing process are the establishment of the above grounds, and the appropriate sanctions, which can include any available remedy under applicable laws, including the imposition of civil penalties.**

**To request a hearing, you must notify the Bureau of Insurance in writing no later than October 9, 2018. If you do not file a written request for a hearing within 30 days from the time you know or reasonably should have known of this act through this Notice and Order, you will lose your right to request a hearing on this matter. Pursuant to 24-A M.R.S. § 213(3), this Notice from the Superintendent to you shall be deemed to have been given when deposited in a mail depository of the United States Post Office.**

Any request for a hearing, as well as all other communications regarding this Notice, Order, and Opportunity for Hearing must be addressed to Bureau Licensing Attorney Lindsay J. Laxon, Bureau of Insurance, #34 State House Station, Augusta, Maine 04333-0034 (for US Postal Service deliveries) or 76 Northern Avenue, Gardiner, Maine 04345 (for private carrier deliveries, such as FedEx or UPS). You may also reach Ms. Laxon by e-mail at [Lindsay.J.Laxon@maine.gov](mailto:Lindsay.J.Laxon@maine.gov) or by telephone at (207) 624-8429.

September 4, 2018



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Eric A. Cioppa  
Superintendent of Insurance