

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

IN RE:

**SHAWN RONALD JOHNS
National Producer # 1649250**

Docket No. INS 07-202

**DECISION AND ORDER
DENYING PENDING APPLICATION**

INTRODUCTION

1) This matter is before the Superintendent of Insurance, after notice and opportunity for hearing, pursuant to a Petition filed by the Staff of the Maine Bureau of Insurance, dated March 8, 2007, to DENY the pending application for nonresident insurance producer license filed by Shawn Ronald Johns.

2) The Maine Insurance Code regulates persons who offer or sell insurance products in the State of Maine. The Superintendent of Insurance has jurisdiction over this matter pursuant to the Insurance Code generally, Title 24-A Maine Revised Statutes Annotated, and in particular, 24-A M.R.S.A. §§211, 220, 1417, and 1420-K.

FINDINGS OF FACT

3) Shawn Ronald Johns is an applicant for licensing in Maine as a nonresident insurance producer. His National Producer Registry Number is 1649250.

4) Mr. Johns's business address of record is:

7247 Lindbergh Blvd
Philadelphia, PA 19153

5) The Bureau of Insurance received Mr. Johns's electronic application for producer licensing with Health authority in January, 2007.

6) Item 2 of the background questions on the application form electronically filed in connection with this application required a response to the following question:

"Have you or any business in which you are or were an owner, partner, officer or director ever been involved in an administrative proceeding regarding any professional or occupational license?"

7) Mr. Johns answered "No" to Item 2.

8) The application included Mr. Johns's "Certification and Attestation" under 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."

9) Staff of the Maine Bureau of Insurance found, through its routine application review process, that in 2003 Mr. Johns was the subject of a consent order in the Commonwealth of Pennsylvania, based upon a failure to remit premiums to an insurer.

10) The Supervisor of Licensing for the Maine Bureau of Insurance requested, by letter dated January 8, 2007, an explanation for Mr. Johns's failure to disclose the Pennsylvania consent order, and an explanation of the circumstances concerning the matter.

11) The written response from Mr. Johns's current firm, dated January 16, 2007, indicated that he mistakenly answered "No," as he and his firm's manager interpreted the uniform application's question as only applying to owners, partners, officers, or directors of a business. The response also included a copy of an explanation from Mr. Johns dated "10/24/2006" and addressed "To All It May Concern," in which Mr. Johns asserted that he had only recently discovered the existence of the order, which his prior firm had entered into without his knowledge, and about which he had received no correspondence from the Pennsylvania Department of Insurance. A copy of Mr. Johns's written statement is attached as Exhibit A.

12) Staff of the Maine Bureau of Insurance requested and received a copy of the Pennsylvania consent order directly from the Pennsylvania Insurance Department.

13) A copy of the Pennsylvania consent order dated September 19, 2003 is attached as Exhibit B, showing Mr. Johns's signature on the document.

14) By letter dated January 31, 2007 the producer licensing attorney for the Maine Bureau of Insurance requested a response from Mr. Johns by February 16, 2007, to explain the inconsistency between Mr. Johns's written statement that he previously had no knowledge of the existence of the Pennsylvania consent order, and the fact that his signature appears on the execution of the document.

15) The Bureau did not receive a reply from Mr. Johns to the January 31, 2007 letter.

16) The Bureau provided notice by U.S. Mail to Mr. Johns of the Petition to deny the application, and provided opportunity for hearing, directed to Mr. Johns's address of record on March 8, 2007, in accordance with the requirements of 24-A M.R.S.A. §213.

17) The certified mail receipt concerning the documents referred to in Paragraph 16 indicates that the Postal Service delivered the copy of the Petition and the notice and opportunity for hearing to Mr. Johns's address on March 12, 2007.

18) Mr. Johns has not requested a hearing on this matter, and the time period for the filing of any such request has expired.

CONCLUSIONS OF LAW

19) Under 24-A M.R.S.A. §1417 and §1420-K(1)(A), the Superintendent may, after notice and opportunity for hearing, refuse to issue a producer's license based upon the provision of incorrect, misleading, incomplete or materially untrue information in the license application.

20) In addition, obtaining or attempting to obtain a license through misrepresentation or fraud constitutes grounds for denial of the license application or other appropriate action, under 24-A M.R.S.A. §1420-K(1)(C).

21) Mr. Johns provided incorrect, misleading, incomplete and materially untrue information in his Maine application for nonresident producer licensing, and attempted to obtain a license through misrepresentation, by:

- a) failing to disclose the 2003 Pennsylvania consent order when he applied;
- b) certifying by his signature that the information was true and complete;
- c) falsely asserting that he was unaware of the matter; and
- d) failing to respond to the Bureau's request for information and an explanation.

22) Mr. Johns's actions in connection with his application for a Maine nonresident insurance producer license establish statutory grounds for denying his application for producer license under 24-A M.R.S.A. §1417, §1420-K(1)(A), and 1420-K(1)(C).

ORDER DENYING LICENSE APPLICATION

The Superintendent of Insurance, after notice and opportunity for

hearing, hereby **DENIES** the pending insurance producer license application of **Shawn Ronald Johns**, based upon the grounds specifically stated in the above Findings of Fact and Conclusions of Law, in accordance with 24-A M.R.S.A. §1417, §1420-K(1)(A), and 1420-K(1)(C).

The effective date of this Order is April 25, 2007.

NOTICE OF APPEAL RIGHTS

This Decision and Order is a final agency action of the Superintendent of Insurance within the meaning of the Maine Administrative Procedures Act. It is appealable to the Superior Court in the manner provided in 24-A M.R.S.A. §236, 5 M.R.S.A. §11001, *et seq.*, and M.R.Civ.P. 80C. Any party to the proceeding may initiate an appeal within thirty (30) days after receiving this notice. Any aggrieved non-party whose interests are substantially and directly affected by the Decision and Order may initiate an appeal within forty (40) days of the issuance of this Decision and Order. There is no automatic stay pending appeal; application for stay may be made in the manner provided in 5 M.R.S.A. §11004.

ERIC A. CIOPPA
Acting Superintendent,
Maine Bureau of Insurance