

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

In re:

Bene Markets, LLC

Docket No. INS-19-222

NPN Number: 17961915

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

NOTICE TO BENE MARKETS LLC:

Effective as of **September 9, 2019**, the Maine Superintendent of Insurance denies Bene Markets, LLC's (Bene Markets) April 29, 2019, application for licensure as a nonresident producer business entity. The reasons for denial are set forth below:

1. Bene Markets was initially licensed in Maine as a nonresident producer entity on August 17, 2016. The agency license was terminated on November 26, 2018, for failing to maintain a licensed designated responsible person as required by 24-A M.R.S. § 1413(3).
2. On or around April 29, 2019, the Maine Bureau of Insurance received an application for re-licensure for Bene Markets. This application was completed by Stephanie Miller, National Producer Number 17862577, as the designated responsible person and CFO for Bene Markets.
3. The license application included the background question: "Has the business entity or any owner, partner, officer or director of the business entity, or manager or member of a limited liability company, ever been named or involved as a party in an administrative proceeding, including a FINRA sanction or arbitration proceeding regarding any professional or occupational license, or registration?" This question was answered "No."
4. A review of the National Association of Insurance Commissioners Regulatory Information Retrieval System found that Bene Markets was the subject of two state administrative actions.
 - a. On May 24, 2018, the state of Louisiana revoked Bene Markets' producer license for failing to remove or discharge producers who have been revoked or suspended in violation of Louisiana law. This action was not reported to the Bureau until May 1, 2019.
 - b. On September 24, 2018, the state of South Dakota revoked Bene Markets' nonresident business entity license for violating insurance laws of another jurisdiction, failing to report another state's action, and failing to respond to South Dakota Division of Insurance inquiries. This action was not reported to the Bureau until February 21, 2019.

5. The application included the background question: "Has any demand been made or judgment rendered against the business entity or any owner, partner, officer or director of the business entity, or member or manager of a limited liability company, for overdue monies by an insurer, insured or producer, or have you ever been subject to a bankruptcy proceeding?" This question was answered "No."
6. In conducting a background investigation, Bureau staff found that Bene Markets was named in a civil suit for a breach of promissory note filed by Loyal American Life Insurance Company (U.S. District Court for the Western District of Texas case number 1:18-cv-00408, filed May 14, 2018). The case related to Bene Markets' and Stephanie Miller's application for advance commissions from Loyal American Life Insurance Company and their subsequent failure to repay the owed amounts after the termination of their associate agreement. The original complaint recited an amount owed of \$146,752.00, and repayment required pursuant to a promissory note. A default judgment was entered against Ms. Miller and Bene Markets on May 23, 2019.
7. The application included the background question: "Has the business entity or any owner, partner, officer or director of the business entity, or member or manager of a limited liability company ever had an insurance agency contract or any other business relationship with an insurance company terminated for any alleged misconduct?" This question was answered "No."
8. On August 31, 2018, the Bureau of Insurance had received notification from Chesapeake Life Insurance Company of the agency's appointment termination for cause due to "Agent Misconduct".
9. The application included the Applicant's "Certification and Attestation," which was completed by Stephanie Miller, as the designated responsible person and CFO, with the statement:

On behalf of the business entity or limited liability company, the undersigned owner, partner, officer or director of the business entity, or member or manager of a limited liability company, hereby certifies, under penalty of perjury, that 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 or limited liability company to civil or criminal penalties.
10. Bureau staff wrote to Ms. Miller by email on April 30, 2019, requesting an explanation for the applicant's failure to disclose the administrative actions identified in Paragraph 4, the civil suit identified in Paragraph 6, and the termination for cause identified in Paragraph 8. The Bureau also requested copies of the relevant supporting documentation and a written explanation of the circumstances surrounding the civil suit and the termination for cause. Bureau staff sent follow-up emails to Ms. Miller on May 17, 2019, and May 24, 2019. On June 20, 2019, Bureau staff received an email from Ms. Miller stating: "I will set aside some time to day [sic] to work on this." Bureau staff did not receive the requested

information and sent a follow-up request on July 12, 2019. To date, the Bureau has not received a substantive response.

11. By failing to disclose the existence of the administrative actions identified in Paragraph 4, the civil suit identified in Paragraph 6, and the termination for cause identified in Paragraph 8, Bene Markets attempted to obtain a license based in part upon incorrect, misleading, incomplete or materially untrue information in the 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.
12. As described in Paragraph 4, the states of Louisiana and South Dakota revoked Bene Markets' insurance producer licenses. 24-A M.R.S. § 1420-K(1)(I) 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 having an insurance producer license, or its equivalent, denied, suspended or revoked in any other state, province, district or territory.
13. As described in Paragraph 4, the Washington and Louisiana administrative actions were not reported within 30 days of the final disposition of the matter as required by 24-A M.R.S. § 1420-P. The actions were reported subsequent to Bene Markets' initial license termination. This represents grounds for the denial of Bene Markets' producer license for violating insurance laws. 24-A M.R.S. § 1420-K(1)(B).
14. As described in Paragraph 10, the applicant failed to respond substantively to Bureau inquiries which is a violation of 24-A M.R.S. § 220. This represents grounds for the denial of Bene Markets' producer license for violating insurance laws. 24-A M.R.S. § 1420-K(1)(B).

Based upon the above grounds, Bene Markets, LLC's April 29, 2019, application for a Maine insurance producer license is **denied** as of **September 9, 2019**, 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, Bene Markets has the right to a hearing before the Superintendent or his designee to appeal this denial. If a hearing is requested, Bene Markets will have the right to present evidence and arguments in its defense and the applicant will bear the burden of proof to show that the Superintendent's denial was not reasonable.


If a hearing is requested, Bene Markets 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, Bene Markets must notify the Bureau of Insurance in writing no later than September 9, 2019. If a written request for a hearing is not filed within 30

days from the time Bene Markets knows or reasonably should have known of this act through this Notice and Order, Bene Markets will lose its 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 or by telephone at (207) 624-8429.

August 7, 2019


Eric A. Cioppa
Superintendent of Insurance